

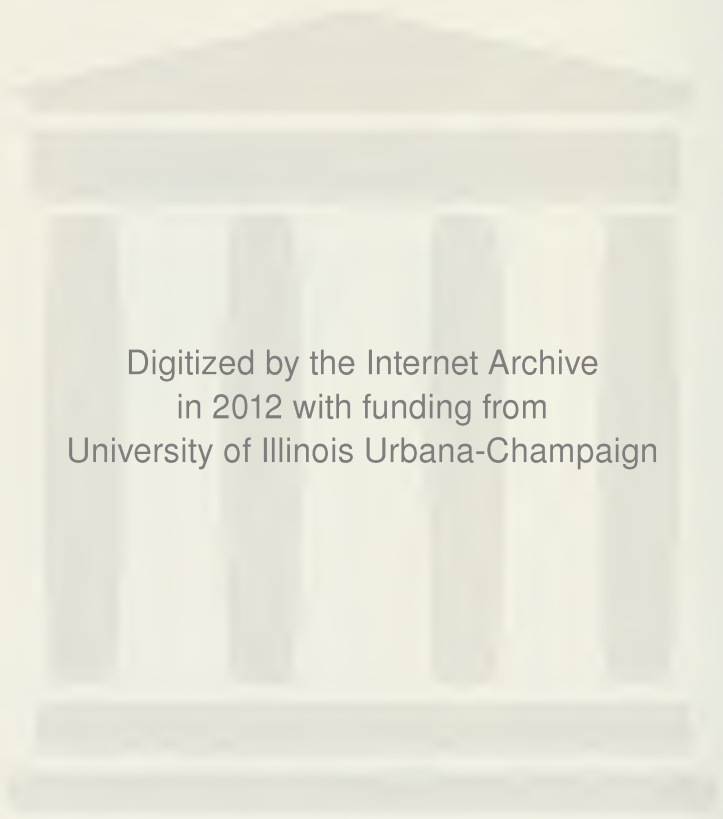


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THE UNIVERSITY OF CHICAGO
SOCIAL SERVICE MONOGRAPHS

Published in conjunction with the Social Service Review

Edited by THE FACULTY OF THE SCHOOL
OF SOCIAL SERVICE ADMINISTRATION

THE ILLINOIS EMERGENCY RELIEF
COMMISSION

THE UNIVERSITY OF CHICAGO PRESS
CHICAGO, ILLINOIS

THE BAKER & TAYLOR COMPANY
NEW YORK

THE CAMBRIDGE UNIVERSITY PRESS
LONDON

THE MARUZEN-KABUSHIKI-KAISHA
TOKYO, OSAKA, KYOTO, FUKUOKA, SENDAI

THE COMMERCIAL PRESS, LIMITED
SHANGHAI

Social Service Monographs

THE ILLINOIS EMERGENCY RELIEF COMMISSION

A STUDY OF ADMINISTRATIVE AND FINANCIAL
ASPECTS OF EMERGENCY RELIEF

By

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Relief Commission, 1933-36*



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PREFACE

The present study was undertaken with two purposes in mind. The first of these was historical. When the unprecedented demand for unemployment relief arose at the start of the decade the state and federal governments were the only jurisdictions of sufficient size and resourcefulness to deal adequately with the problem. State participation in general relief began under a popular assumption that the situation was emergent and temporary. It was hoped, not to say expected, that with the early return of prosperity the state emergency relief programs would be promptly liquidated and full responsibility for public relief returned once more to the local governments.

It is now clear that the temporary conception was a mistaken one. The need, part of which we know antedated the 1930's, has remained very great. The necessity and the advantage of state participation in relief financing and administration have been demonstrated. Although we do not now have state participation in all instances it can nevertheless be regarded as an established and permanent feature of public assistance in the United States.

Thus the state emergency relief bodies were the instruments through which, under the duress of a great economic disaster, the first important inroad was made upon the traditional pattern of local responsibility for general public poor relief. The state relief programs set up in the early 1930's will stand collectively as a milestone in our public welfare history. It has therefore seemed important to record in some detail the early experience of the Illinois Emergency Relief Commission which was one of the first and most prominent among the new state relief bodies.

The second purpose of the study has been to analyze critically some important aspects of the state emergency relief experience in Illinois. In connection with some vital problems in public assistance administration, such, for example, as public relations and financing, the emergency relief experience offers useful

lessons for future guidance.

Obviously the present study is not offered as a comprehensive treatment of the Illinois Emergency Relief Commission and its work. Limitations of time and resources have confined it to the general administrative and financial aspects of the subject. It is hoped that further studies will deal with the particular relief programs and methods which the Commission employed.

The author had the privilege of serving the State of Illinois as Associate Executive Secretary of the Commission almost from the time it began until shortly after responsibility for administration of state relief funds was transferred from the Commission to the local governments on July 1, 1936. With regard to the critical aspects of this study that connection probably was both a handicap and an advantage. The handicap lies in the influence of bias and preconception which, in spite of the efforts of the author to eliminate, the reader will perhaps be able to detect. The advantage has been a rich familiarity with the subject without which this single-handed study of such a large organization would have been extremely difficult.

The consistent intention of the author has been to describe accurately what happened and to appraise the experience with objectivity and realism. There was vouchsafed to the Commission a great public responsibility involving many millions of dollars and thousands of lives. The task was unprecedented and had to be performed in the face of great practical difficulties. If, as the author believes, certain details of the Commission's program deserve adverse criticism, the general fact remains that the Commission discharged its responsibility with a deep sense of public trust and, on the whole, with wisdom and understanding.

Although responsibility for all statements belongs to the author alone acknowledgment is due to others who made the study possible. Freedom to consult all files and official records was given, under authority from the Illinois Emergency Relief Commission, by Mr. Leo M. Lyons, Executive Secretary, who also reviewed the manuscript. Dean Edith Abbott of the Graduate School of Social Service Administration, University of Chicago, encouraged the making of the study, carefully read the manuscript and gave many valuable suggestions. Mr. Wilfred S. Reynolds, Executive Director of the Council of Social Agencies of Chicago, and Executive

Secretary of the Commission until January 1, 1936, also read and criticized the manuscript. Many former and present employees of the Commission gave material assistance in providing data and checking parts of the study. To all of these the author is sincerely grateful.

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CHAPTER I

THE RISE OF STATE RESPONSIBILITY

The Illinois Emergency Relief Commission,¹ like similar organizations in other states, was created as the result of impelling necessity. The fall of the labor market in 1930 and 1931 was no less spectacular than the crash of the stock market in October, 1929. The resulting unemployment was destined to test American facilities for relief giving as they had never been tested before and to find them wanting.

Unemployment a Nationwide Disaster

In the winter of 1929-30 relief demands were greater than usual but still small by comparison with what they were soon to become. People remembered the winter of 1921-22 as comparable and hoped that the new depression would be no worse. During the following summer in Chicago the relief load, instead of declining radically in accordance with the normal pattern, remained approximately at the high level of the previous winter.² By the summer of 1930 the increase of unemployment had occasioned grave concern. Thoughts about the problem at this early stage took, for the most part, the form of remedial proposals. Much was written and said about such measures as employment stabilization, public works, employment offices and unemployment insurance.³ The job of unemployment relief could still be assumed the proper and manageable task of existing local agencies, public and private. As yet

¹ Hereafter referred to as the IERC.

² C. M. Brandenburg, "Chicago Relief and Service Statistics, 1928-1931" (Unpublished Master's thesis, University of Chicago, 1932), p. 46.

³ See for example, P. U. Kellogg, "Outflanking Unemployment," Survey Graphic, May, 1930; B. Amidon, "The Civic Front on Unemployment," Mid-Monthly Survey, May, 1930; Report of New York Committee on Stabilization of Industry for the Prevention of Unemployment, November, 1930.

unforeseen was the appalling load of human want which was soon to focus the attention of the country upon emergency measures for immediate relief.

Although no responsibility for relief was acknowledged by either state or federal governments until late in 1931, both exhibited a genuine concern about unemployment early in 1930. In December, 1929, President Hoover appealed to industry to stabilize employment and maintain wage levels. In 1930 he organized a national committee to buttress private philanthropy and encourage voluntary subscriptions to charitable funds. Senator Wagner of New York, early in 1930, introduced into Congress measures calling for a long-time public works program, an expansion of free public employment services and the collection of statistics on unemployment. In the State of New York the first official state body especially created to concern itself with unemployment was appointed by Governor Roosevelt in March, 1930. It was known as the New York Committee on Stabilization of Industry for the Prevention of Unemployment. Prominent in its creation and its work was the then New York State Industrial Commissioner, Frances Perkins.

Prevention of further unemployment, mainly by business itself, was the early concern of state and federal governments. Meanwhile the volume of unemployment was increasing so rapidly that this laudable but tardy concern about prevention must seem like locking the barn door after the horse was gone.

In the autumn of 1930 the relief curve turned sharply upward. Everyone expected a hard winter. A group of executives of private family welfare societies, in a meeting that fall called by the Russell Sage Foundation, counselled a "stiff upper lip," plus faith that requisite funds would be obtained, as needed, through emergency appeals during the winter.¹ Community chests increased their goals somewhat and generally oversubscribed them.

In October President Hoover, still working on the theory that local philanthropy could meet the needs of the unemployed, organized the President's Emergency Committee on Unemployment. This organization was to stimulate employment and also relief

¹See J. C. Colcord, "Facing the Coming Winter," Mid-monthly Survey, November, 1930.

provisions for those who wanted but could not find employment. The President's Committee influenced the appointment by governors and mayors throughout the country of supporting state and local committees. These committees did various things. In some cities attempts were made to count the unemployed. Drives were initiated to collect used clothing. Jobs were sought by canvassing the citizens, by encouraging temporary expansion of public work and by other devices. The employment seeking efforts of these committees achieved only very meagre results. During the winter of 1930-31 Governor Roosevelt of New York called a conference of governors at which New York, New Jersey, Pennsylvania, Ohio, Rhode Island, Connecticut, and Massachusetts were represented. Possible measures to reduce and prevent unemployment were the extent of the deliberations.¹ Still there was no facing of relief needs by the states.

In the winter of 1930-31 relief expenditures reached a peak more than three and one-half times that of the preceding winter.² In Chicago the number of families on relief in March, 1931, was more than four times that of March, 1930.³ Many private agencies were obliged to obtain public subsidies, emergency grants from community funds or to conduct special fund raising campaigns in order to get through the winter.⁴ Most of them reached the end of the second winter of the depression financially exhausted.

The number of unemployed in the country, already well into the millions, was steadily increasing. The 1930 Census revealed that in April of that year there were more than three million unemployed in census classes A and B.⁵ Another census of

¹See "Seven Governors and Unemployment," Mid-Monthly Survey, February, 1931.

²R. G. Hurlin, "Public and Private Relief during the Current Unemployment Emergency," National Conference of Social Work, Proceedings, 1931, p. 433.

³Brandenburg, op. cit., p. 46.

⁴W. F. Johnson, "How Case Work Agencies Have Met Unemployment," National Conference of Social Work, Proceedings, 1931, pp. 191-192.

⁵Fifteenth Census of the United States, 1930; Unemployment, Vol. I, p. 6. In Class A, defined as "persons out of a job, able to work, and looking for a job," 2,429,062 persons were enumerated. In Class B, defined as "persons having jobs but on

unemployment, taken in January, 1931, for a special enumeration area including only large cities, revealed that in the area covered, the number of unemployed in census classes A and B was almost three and one-half times as great as in April, 1930.¹ Estimated on the basis of this same rate of increase applied to the entire country the total unemployed in January, 1931, was approximately eight million.

By this time the unprecedented magnitude of the catastrophe was beginning to be apparent. At the annual meeting of the National Conference of Social Work in the Spring of 1931 a delegate pointed out that the twelve months elapsed since the Spring of 1930 had demonstrated ". . . that the unemployment relief curves of the winter of 1929-'30 were mere foothills though they seemed like mountains to us then."²

The action of state legislatures during this second winter was confined to the appointment of several official bodies to investigate and report upon the subject of unemployment,³ and to bring about a liberalization of local borrowing power to finance relief.⁴

Summer in 1931 again failed to bring any important decline in relief demands. As a third and more terrible winter loomed ahead the inadequacy of local responsibility for relief began to be admitted. America faced this fact with great reluctance.

Behind the resistance to state and federal participation was the traditional attitude toward public relief in this country. Even though the principle of public responsibility for relief of the poor was older than the nation itself public relief had long been regarded as an evil. Reliable statistics published before 1930 revealed that in spite of this popular attitude the public treasury was our predominant source of family welfare and relief

layoff without pay, excluding those sick or voluntarily idle," 758,585 persons were enumerated.

¹Ibid., II, 366. ²Johnson, op. cit., p. 189.

³E.g., New York, California, and Ohio.

⁴See 5 Social Service Review 316. A special bond issue of \$2,000,000 was authorized for Cook County, Illinois. Ohio cities, townships and counties were given increased borrowing power.

expenditures.¹ From the beginning of the depression public funds were increasingly relied upon. At the annual meeting of the National Conference of Social Work in 1931 a prominent delegate discussed "the drift to public relief" and called it "the logical reaction to the failure of private philanthropy during a time of general depression."²

Unemployment by the summer of 1931 was obviously a nationwide disaster such as only the resources of the states and the nation could cope with. The drift toward state and federal participation had become irresistible and generally recognized. In September, 1931, the first of the new state relief agencies, the New York Temporary Emergency Relief Administration, came into being with an appropriation of twenty million dollars in state funds for the relief of unemployment. New Jersey followed in October, Rhode Island in November and, early in the following February, Illinois. In the Congress that winter, despite the opposition of the national administration, federal aid for unemployment relief was seriously, though unsuccessfully, proposed.³

Such was the country-wide necessity out of which arose the IERC and similar state relief agencies. What had been the particular situation in the State of Illinois?

Relief Needs in Illinois Outside Cook County

The extreme size of the relief problem in Cook County, where approximately one-half the population of the state resides, overshadowed the distress in smaller communities scattered through the other one hundred and one counties. However, work shortage was general throughout the state and the relief situation was as critical in some other places as in Chicago. The 1930 Census

¹See A. R. Griffith, H. R. Jeter, and A. W. McMillen, "Receipts and Expenditures of Social Agencies during the Year 1928," 4 Social Service Review 343.

²H. L. Lurie, "The Drift to Public Relief," National Conference of Social Work, Proceedings, 1931, p. 211.

³Seventy-second Congress, Senate Bills 174 and 262, introduced by Senators Robert M. LaFollette, Jr., of Wisconsin and Edward P. Costigan of Colorado.

revealed that in 51 of the 102 counties in Illinois at least 5 per cent of all gainful workers in census classes A and B were without employment. Table 1 reveals that there were in Illinois 9 counties with a higher proportion of gainful workers unemployed than Cook. The total volume of unemployment in the state outside

TABLE 1

ILLINOIS COUNTIES WITH MORE THAN 10 PER CENT
OF GAINFUL WORKERS, IN CENSUS CLASSES A AND B,
UNEMPLOYED IN APRIL, 1930*

County	Per Cent of Gainful Workers Unemployed
Franklin	27.1
Saline	19.9
Williamson	15.8
Macoupin	14.3
Clinton	11.7
Vermillion	11.4
St. Clair	11.3
Christian	10.7
Wabash	10.7
Cook	10.3
Sangamon	10.2

*Illinois Department of Labor, Labor Bulletin, October, 1931.

Cook County was 97,189 as compared with 185,662 in Cook County.¹ Thus it is seen that although the total number of unemployed in Cook County was almost double the figure for all other counties combined and although the proportion of gainful workers unemployed in Cook County was greater than in most of the other counties, still the volume of unemployment downstate was considerable and in certain counties was extreme. The coal mining counties were those which exceeded Cook in the relative extent of unemployment.

The State Department of Labor at the close of 1931

¹The 1930 Census returns on unemployment in Illinois have been analyzed by the Illinois State Department of Labor, Division of Statistics and Research, in the Labor Bulletin for October, 1931. Figures are taken from the Fifteenth Census of the United States, 1930, Unemployment, Vols. I and II.

summarized the industrial situation for that year in fifteen leading Illinois cities:¹

Each of the 15 cities for which separate reports are tabulated except Quincy, which registered an increase of 1.4 per cent, showed a decline in the 1931 average employment level from the average for 1930, and all showed declines from the average for 1929. The largest decline in average volume of employment from 1930, 43.6 per cent, was reported by Rock Island, followed closely by the 43.3 per cent decline reported by the nearby city of Moline, while the smallest decline, less than five-tenths of one per cent, was reported by Springfield.²

Early action by the Governor.--The urgency of relief needs over the state was recognized in October of 1930 when Governor Emmerson appointed the Governor's Commission on Unemployment and Relief. It was a large body of citizens who served voluntarily and was active the following two winters. The work of this commission in the state outside Cook County was developed by its Statewide Activities Committee. The Commission had no funds for relief and was limited in its operating expense. The Statewide Activities Committee urged the mayor of every municipality of 500 or more population to appoint a local committee to raise funds for and to co-ordinate relief activities. During the winter of 1931-32 there were 387 such municipal committees and 32 county relief committees appointed. Advisory services were extended to these local committees to guide them in such matters, for example, as fund raising, relief giving and operating community gardens. The commission recognized the need for factual information about relief requirements in the state and even appointed a Committee on Statistics for the purpose, but necessary resources were not available and very little was accomplished in this regard.

Governor Emmerson also appointed the Governor's Special Unemployment Relief Committee whose express purpose was to allocate donations made by state employees under the Governor for relief work.³ Extremely limited funds went from this source to

¹Aurora, Bloomington, Chicago, Cicero, Danville, Decatur, East St. Louis, Joliet, Moline, Peoria, Quincy, Rockford, Rock Island, Springfield and Sterling-Rock Falls.

²Illinois State Department of Labor, The Labor Bulletin, February, 1932.

³Report of Statewide Activities Committee, Governor's

many counties and municipalities in the state.

Distressed areas.--The most severe distress in Downstate Illinois was in the coal mining areas in the central and southern parts of the state. In these once prosperous communities of high wage rates and plentiful work, depression had set in with the decline of the coal industry in the early 1920's and the depression of the 1930's only increased an unemployment problem of several years standing. All the counties listed in Table 1, excepting Wabash and Cook, have coal mining as the dominant industry. A survey made in August, 1931,¹ in Franklin County, located in the heart of the southern coal mining region, revealed something of conditions there. Of the twenty-seven mines in the county only twelve were operating and all of those on part time. The county was some \$200,000 in debt, could sell no bonds, and taxes were increasingly delinquent. Twenty-three out of thirty banks in the county had failed during the previous three years, wiping out the savings of thousands of citizens. In December of 1930 local responsibility for relief had broken down completely and all forms of public assistance, including mother's pensions, blind pensions, services of a county doctor, and general pauper relief, were discontinued. Very limited assistance had come in through the Governor's Commission on Unemployment and Relief and the American Red Cross. In every town collections of used clothing had been made and desperate drives for private relief funds had raised miserably small amounts. In some instances the miners who still had part-time work submitted voluntarily to "check-offs" to help those who had no work at all.

Both children and adults are barefooted and ragged, but at this time of the year they can live that way. In August there is fruit and some vegetables are accessible to many of the people--but one shudders with them at the thought of winter and no food in a community where their own resources are absolutely drained.

Franklin was perhaps the most stricken among the coal counties but the others could not have been much better off. At

Commission on Unemployment and Relief, for the period August 25, 1931-March 31, 1932 (Unpublished).

¹Wilma Walker, "Distress in a Southern Illinois County,"
5 Social Service Review 558.

least in this one case local machinery for relief had broken down more than a year before the IERC was created and the poor were largely reduced to that last line of defense--sharing what little they had with each other.

Whatever doubts there may have been as to the need of state aid for unemployment relief in Illinois outside Cook County were rapidly dispelled as the IERC program got under way. Counties immediately besought the assistance of the Commission and field investigations that followed these requests showed that they needed it. The places most in need were the industrial, and particularly coal mining, areas and the larger cities; they appealed most promptly and most urgently for help. The reports of these early field investigations of the IERC reveal much about the situation in outlying counties with regard to the need for, the financing of and the administration of relief.

The annual report of the private family welfare agency in one typical city was quoted as follows:

In the annual report of May, 1931, the striking rise in relief requirements for the year were described in figures that seemed astounding to all of us. We tried to be optimistic and thought that perhaps the peak was reached. . . . This was evidently too much to expect for that next year approached us and instead of the number of families decreasing, it kept increasing, with the result that June, the lightest month of the year, showed a larger case count than the heaviest month of 1929. For example, during February, 1931, relief was given to 254 families or more than five times the number given relief in February of the previous year. But in February, 1932, the number of such families was 502, twice as many as that of last February and more than eleven times what it was two years ago.¹

In general it was found that relief needs were everywhere abnormally high and were getting beyond the capacity of local resources to meet.

Local relief financing and administration.--Emergency measures to finance relief had been taken almost everywhere. Township levies for poor relief had in most populous areas been substantially increased and in almost every city campaigns for voluntary subscription had been conducted in the autumn of 1930 and again in 1931. These private efforts usually were conducted

¹Files of the IERC. Annual Report of the Galesburg Associated Charities for the year ending May 1, 1932, quoted in the initial report on Knox County.

by committees appointed by the mayors at the request of the Governor's Commission on Unemployment and Relief. A few cities had going community chests and in some such instances it appears that increased funds for unemployment relief came largely from the budgets of non-relief member agencies.¹ Substantial efforts had been made by the local governments to obtain public funds for relief through the general property tax. Such funds were in many localities spent before taxes were actually collected. Sometimes anticipation warrants were sold, which at best was an expensive method of financing. The warrants of some units proved unsalable even at substantial interest rates. Tax collections were also anticipated by the informal method of obtaining credit from merchants for relief supplies. Despite these efforts township tax resources, by the time state funds became available, had in many communities been hopelessly outrun by mounting relief needs.

It was the funds of the Commission, in fact, which saved the townships in Illinois from financial chaos that year. Without such funds the townships either would have fallen so heavily in debt that taxes to cover these debts would have been extremely high or would have had to abandon the provision for relief, despite their legal responsibility.²

In addition to these financial difficulties in the townships many counties were still months behind in their financing as a result of the relief burden which they had carried prior to July 1, 1931.³

Although local public funds made a bona fide effort to assume the responsibility in most localities, this was not always true. The little mining towns of Tilden, Coulterville and Percy in the predominantly agricultural county of Randolph were found in severe distress but without any assistance from public funds. Under the commission form of government,⁴ as in this instance,

¹E.g., Elgin and Aurora, in Kane County.

²R. H. Whitman, "Financing of Unemployment Relief by Townships in Illinois," 8 Social Service Review 31.

³Ibid. In 1931 local responsibility for relief was transferred by the General Assembly from the counties to the townships. This Act, known as the "Finn Bill," is discussed in the above reference. Cf.; infra, chap. v, pp. 158-160.

⁴In Illinois the form of county government is optional

the county is responsible for relief. It was reported that the county commissioners regarded it as unfair to the rest of the county to aid these three especially needy communities at county expense. They likewise refused to apply for assistance from the IERC for the same reason.¹ Another instance of this was Massac County in Southern Illinois where no public funds were available for relief.²

In addition to local provisions surplus flour made available by the federal government through the American Red Cross was being widely distributed in the state and some communities had received small allotments of funds distributed by the Governor's Special Unemployment Relief Committee.³

The early IERC county investigations revealed countless methods and devices for giving relief. The well known inadequacies of relief administration under the poor law system were generally encountered. Real responsibility for public assistance was sometimes evaded by invoking the legal responsibility of relatives and the requirement of legal residence. The overseers of the poor were almost invariably without any background of qualification for their task, which in many instances had become much larger than ever before. They usually regarded relief giving as a purely clerical job but seldom were even the clerical aspects of the work efficiently handled. Family visiting, record keeping, inter-agency co-operation, budgeting of grants, to say nothing of the service aspects of family relief, were rarely appreciated or even heard of. In many instances not even a systematic record of expenditures was kept.

In addition to those ubiquitous weaknesses such things were found as private funds being expended by a public agency⁴

and seventeen counties have the commission (county-wide) form in which there are no townships.

¹Files of the IERC. Preliminary report on Randolph County.

²Ibid., Preliminary report on Massac County.

³Supra, pp. 7-8.

⁴Files of the IERC, e.g., the initial report on Kankakee County reveals the community fund giving relief through the county probation officer.

and public funds by a private agency.¹ In one city the public relief office, with substantial funds, carried no cases of its own but supplemented all the cases of the private agency.² There were examples of downright antagonism between the local public and private relief offices.³ In some populous counties there was great confusion and lack of co-ordination among a large number of agencies, both public and private.⁴ In one place or another probably every relief device ever tried anywhere was in use. There was a considerable amount of work relief and either that or direct relief might be paid in cash, in orders upon merchants or in kind from commissaries. There were some community gardens and canning operations. For the most part the personnel engaged in relief administration was poorly prepared for the work but there were many exceptions to this, especially among private agencies and larger communities.

It is fair to say that the early investigations of the IERC in downstate Illinois revealed pressing need, inadequate financing and confused administration. Clearly, the need for state aid for unemployment relief in the winter of 1931-32 was statewide. The breakdown of local responsibility was becoming general. In Cook County relief needs were extreme in volume and in concentration, which made that scene dramatic. Chicago, with a large representation in the General Assembly, was articulate and powerful at Springfield. Thus it happened that Chicago led in the fight for help from the state and needs elsewhere were temporarily obscured.

¹E.g., the agenda for the meeting of the IERC of October 15, 1932, exhibit C, reported that in Mount Vernon, Jefferson County, the township poor relief funds were spent by the Mount Vernon Provident Association.

²Files of the IERC. Initial report of the Quincy, Adams County, situation.

³Ibid., e.g., situation in Waukegan as revealed in the initial report on Lake County.

⁴Ibid., e.g., situation revealed in preliminary report on Madison County.

Relief Needs in Cook County

In the great metropolitan area of Chicago and Cook County the relief impact of the depression was early and acute. An increased demand upon the family welfare agencies was felt there as early as the winter of 1927-28.¹ In 1930 relief demands of families unable to get work caused the Council of Social Agencies of Chicago, early in the fall, to call for special community attention to the problem. Working with the Chicago Association of Commerce it brought into being a General Citizen's Committee on Unemployment, with a large membership representing various walks of life. It was unofficial and was shortly absorbed in the Governor's Commission on Unemployment and Relief which came into being in October, 1930.²

Voluntary fund raising in Chicago.--Like the national committee appointed by President Hoover in the same month the Governor's Commission in Illinois undertook to buttress and stimulate local programs. The Illinois Commission was particularly active in Chicago. After considerable discussion about a program for raising and distributing funds in the metropolis it decided to conduct an emergency campaign for relief funds, over and above the regular budgets of the social agencies of the city, which budgets those agencies were to raise independently as they had always done. The emergency funds thus raised were then to be allocated to and spent by those established private agencies in Chicago upon whom fell the overload of unemployment relief. This money raising job was undertaken directly by the Governor's Commission through its Campaign Committee. After a careful study of probable needs the goal was set at \$5,000,000. With great enthusiasm for a humanitarian cause the campaign began in mid-November and subscribed its goal by the end of February. But the plans had not reckoned the full dimensions of steadily increasing need.

By July 8, 1931, the \$5,000,000 which the Governor's Commission had felt was sufficient to meet the relief needs for the year, October, 1930 to October, 1931, had been exhausted. The private family welfare agencies were confronted with an anticipated deficit of approximately one million dollars which they would incur

¹Brandenburg, op. cit., chap. 1.

²Supra, p. 7.

in carrying the overload of relief between July 18 and October 1.¹

As no sign of subsidence in relief needs appeared in the summer of 1931 the Governor's Commission began to lay its plans for another campaign. In August the Joint Emergency Relief Fund of Cook County was organized and incorporated for the purpose, a body promoted by but independent of the Governor's Commission. To cover the deficit incurred prior to October 1, 1931, and to provide for unemployment relief in Cook County for one year beyond that date a goal was set of \$8,800,000. During the campaign the goal was increased to \$10,000,000 and actual subscriptions eventually exceeded that by about half a million. Gigantic as was this accomplishment in private funding the proceeds were far from sufficient for the job that needed doing. If it was believed or even hoped at the time the goal was set that the amount would be sufficient that hope was soon abandoned. It became clear in November that, to say nothing of a full year, the fund would not even bring the city through the winter.

For October the combined case load of the public and private relief agencies in Chicago was 78,085 as compared with 15,028 for the same month in 1930. For November the corresponding figures were respectively 92,940 and 27,267.² Local public funds in Chicago and Cook County were not significant in amount, and could not be made so, due to the chaotic condition in which the depression had caught the fiscal machinery of these local governments. It was impossible to seek further private subscriptions because the hard pull to get the \$10,000,000 was still in progress. Family relief allowances had been cut to 75 per cent of what was considered a minimum standard budget. The Illinois State Department of Labor estimated that on October 15, 1931, approximately 624,000 gainful workers in Chicago were involuntarily unemployed. This figure was about 40 per cent of all gainful workers in the city.³ It is therefore conservative to say that in the autumn of 1931 at least one-third of the population of Chicago, or well over a million people, were without a source of income. With such a potential as that the relief load was obviously not

¹Brandenburg, op. cit., p. 20. ²Ibid., p. 46.

³Illinois State Department of Labor, The Labor Bulletin, November, 1931.

yet at its peak; and what that peak might eventually be no one could say. In spite of the generous response to the campaign for voluntary contributions, local responsibility for relief in Chicago and Cook County could no longer cope with the situation by the close of 1931. In desperation the community turned to the state for help.

Original Provisions for State Aid

The first appeal for state aid.--Just when the officials of the Joint Emergency Relief Fund of Cook County first thought seriously of seeking help from the state is not known. Evidently they had requested assistance from the General Assembly in November, 1931.¹ There is evidence that even in October state aid was discussed.² At a meeting in Chicago on December 7, the Governor's Commission on Unemployment and Relief unanimously passed the following resolution:

WHEREAS, estimates made by the division of statistics and research of the Illinois Department of Labor, based on United States census figures, indicate that there were 624,000 able-bodied men and women unemployed in Chicago as of October 15, 1931, which is 19 per cent of the population of Chicago, and a preliminary estimate by this division indicates that there are approximately 425,000 persons unemployed in the State of Illinois outside Cook County, which is 12 per cent of the population in this area; and

WHEREAS, based upon the number of families now receiving relief and the expenditures therefor in Chicago and Cook County, there will be a monthly average of 80,000 families receiving relief during the 12-month period ending September 30, 1932, at a cost of \$25 for each family per month, or a total of \$24,000,000 for family relief only, exclusive of an additional \$1,500,000 for other forms of relief; and

WHEREAS, complete information about the needs for relief and funds available to meet these needs for the State outside Cook County will not be available until early in 1932, but present surveys indicate the need in many communities is far in excess of funds

¹In the Chicago Tribune for January 23, 1932, appears the statement: "The fund officials called attention to the fact that they had requested the legislature for substantial assistance last November and provided facts showing where it would be necessary before the end of the winter."

²The Chicago Tribune for October 27, 1931, reports a resolution passed by the Chicago Church Federation the previous day calling upon the Governor for a special session of the General Assembly to provide Cook County with \$10,000,000 for relief.

provided for relief purposes in those communities; and

WHEREAS, in Chicago and Cook County \$10,500,000 will be provided from local sources for relief, and in the State outside Cook County it is expected that \$3,000,000 will be provided from local sources of the communities, making a total of \$13,500,000 for the State of Illinois; and

WHEREAS, in Chicago and Cook County there will be a deficit in the funds needed for relief amounting to \$15,000,000 and for the State outside Cook County there will be a substantial and serious deficit for the year 1932; Be it therefore

RESOLVED, That the governor's commission on unemployment and relief emphatically urge the members of the General Assembly of the State of Illinois to provide the sum of \$20,000,000 for unemployment and poor relief for the year 1932.¹

The above resolution was presented to the General Assembly by members of the Commission who had gone to Springfield just for that purpose and served to bring the matter more forcibly to public attention.

Early legislative proposals.--Meanwhile the impending necessity of additional public funds for relief had not been wholly ignored by the legislature. Early in November the governor called the 57th General Assembly into its first special session. This special session was called primarily to consider legislation to remedy the confused state of financial affairs in the local governments of Cook County. But the governor included the relief subject in his call.² Although the session was pre-occupied with the principal subject of the call proposals to raise money for relief soon began to appear. The first was a proposal to permit Cook County to issue, without referendum, bonds in the amount of three million dollars for relief purposes. Bills to provide for this were introduced in both houses on November 12, one week after the session convened. Such a measure appealed to the downstate members but it was not feasible because fiscal affairs in Cook County were in such disrepute that its paper was not marketable. Therefore these bills died on first reading in both Senate and House.³

¹Senate Journal, 1st Special Session, 57th Illinois General Assembly, pp. 121-122.

²Ibid., p. 4.

³Legislative Synopsis and Digest, #11, 1st Special

Before February 1, 1932, when the bills which became law were introduced, various proposals appeared for providing relief money. The primary concern of all these early schemes was with the source or revenue. Attention centered on the motor fuel tax and possibilities of either increasing or diverting it for relief uses. Some other ideas were developed however. Early in December there was proposed in both Houses a new tax of two cents upon each one hundred dollars face value of "all notes, bonds, stocks, debentures, documents and other instruments in writing." From this source \$15,000,000 was to be appropriated for relief, to be administered by the Secretary of State.¹ About the same time another proposal in the Senate called for a 10 per cent sales tax on tobacco, confections, jewelry, antiques, theatre tickets and other luxuries and from the proceeds appropriated \$20,000,000 for relief purposes.² Another proposal was for a tax of five cents on every one hundred dollars of value in trading transactions, the proceeds for the first year to go into the emergency relief fund.³ None of these passed in either House.

With regard to the motor fuel tax various proposals would have: made specific appropriations out of collections on hand or to be made;⁴ increased the tax;⁵ given the Governor authority to spend all collections for relief;⁶ permitted individual counties to spend for relief that portion of the revenue regularly rebated to them for highway purposes.⁷ None of these bills were passed.

Creation of the IERC was first proposed by Senator Richard Barr of Joliet on December 1. A companion to another bill which

Session, 57th Illinois General Assembly, pp. 28 and 78 (S. B. 41 and H. B. 38).

¹Ibid., pp. 49 and 122 (S. B. 113 and 114 and H. B. 242 and 243).

²Ibid., p. 48 (S. B. 108 and 109).

³Ibid., p. 50 (S. B. 117).

⁴Ibid., pp. 50, 57 and 81 (S. B. 116 and 144 and H. B. 50).

⁵Ibid., pp. 45 and 138 (S. B. 98 and H. B. 299).

⁶Ibid., p. 59 (S. B. 149).

⁷Ibid., pp. 55 and 56 (S. B. 137).

proposed to increase the motor fuel tax from three to five cents, this first IERC bill had almost exactly the form and content of the one which later became law.¹ At least one other proposal which later failed of enactment also followed this pattern set by Senator Barr.²

Legislative delay.---During November and December the General Assembly was under constant pressure from Chicago and Cook County to remedy the financial tangles which had become so serious there that public school teachers and some other public employees were not being paid. The Governor's Commission on Unemployment and Relief and other groups concerned with the relief situation tried to impress the legislators with the urgency of the need. The formal resolution by the Governor's Commission has already been referred to. The same day it was presented in the Senate a similar plea from the Chicago Church Federation was read.³ Cook County members were informed. But the General Assembly was not sufficiently impressed to precipitate any action. On December 17, with nothing accomplished, adjournment was taken until January 5, 1932.

On January 4, 1932, the day before the General Assembly reconvened, several members of the Governor's Commission conferred in Chicago with some of the Cook County legislators and again stressed the urgent need for additional relief funds in the city. Time was running short. The ten million dollar voluntary subscription was not expected to last beyond the end of the month. The situation in Chicago was rapidly becoming emergent. On January 12 the Joint Emergency Relief Fund of Cook County issued a public statement which read, in part, as follows:

Our \$10,000,000 Fund is rapidly being exhausted. In December alone our relief expenditures amounted to approximately \$2,500,000. . . . We are now providing relief for more than 100,000 families and this number is increasing daily. Our Fund is utterly inadequate to carry such a load. We have struggled to carry it thus far with the expectation that the State Legislature would take some action and make possible the use of public funds, such as other states have done, to carry the share of the burden which

¹Ibid., pp. 45 and 46 (S. B. 98 and 99).

²Ibid., p. 49 (S. B. 110).

³Senate Journal, 1st Special Session, 57th Illinois General Assembly, pp. 117-118.

should properly be borne by the entire public through taxation and which in Chicago now cannot possibly be carried in any other way.

In November the situation was presented to the State Legislature and we urgently asked for action. The Legislature was in session for nearly two months and adjourned for the holidays without taking any action. During the holiday recess we invited the members of the Legislature from Cook County to attend a conference so that we could present to them the serious need for relief in this County. Nineteen State Senators and fifty-six State Representatives, members of the Legislature from this County, were invited to this conference. One State Senator and seven State Representatives attended the meeting. Facts have repeatedly been presented to the members of the Legislature from this County and from the State to show the desperateness of the need. Committees and individuals representing this organization have at their own expense been in attendance at the sessions of the Legislature in Springfield to urge the necessity of prompt action, but the members of the Legislature, including the Representatives and Senators from Cook County, continue to ignore these appeals. The Board of County Commissioners and the City Council of Chicago have joined in our requests, but their appeals likewise are ignored. The situation is now approaching such a crisis that dire results must follow if relief is not given.

The responsibility for this situation lies clearly and unmistakably at the door of the State Legislature, and particularly the members of the Legislature from Cook County. We again appeal to them for prompt action. We appeal to the public for moral support and action by writing or petitioning the members of the Legislature from Cook County for their support of proper measures to provide additional relief funds in this emergency. At least \$15,000,000 must be obtained from this source in the year 1932 for emergency relief in Cook County. Only thus can a crisis be averted which would cause untold suffering and might cost this community a great deal more than the cost of any proper measures of relief.¹

When the legislature convened on January 5 a bill was immediately introduced in the Senate to permit diversion by counties, for relief purposes, of the one cent per gallon of motor fuel tax regularly rebated to them by the State for highway purposes.² On January 13 the Senate passed this measure but it died in the House. Interest of the General Assembly in the relief problem subsided again. On January 21 it finally enacted the complicated and much debated program to reform local public finance in Chicago and Cook County. Then, with a sense of accomplishment on that

¹Illinois State Department of Labor, The Labor Bulletin, January, 1932, p. 126.

²Legislative Synopsis and Digest, #11, 1st Special Session, 57th Illinois General Assembly, p. 56 (S.B. 137).

score, but still with nothing done about the relief situation, the General Assembly forthwith adjourned until February 2.

Relief funds in Chicago were only ten days from exhaustion as the state's lawmakers, on whom all hope was pinned, voted themselves a vacation and went home. The immediate reaction in Chicago was that the General Assembly was playing Nero to the city's Rome. By now the situation was extremely critical and little time was left for action. To those Chicago citizens who were active in the Joint Emergency Relief Fund of Cook County this adjournment of the legislature was the signal for a showdown. Looking back, the event marked the beginning of a fortnight of relentless pressure at the end of which there emerged a state relief agency with a twenty million dollar appropriation.

The evening of the day following the adjournment relief officials again met in Chicago with Cook County members of the General Assembly. From this meeting the Governor was reached by telephone, advised that the relief stations would have to close on February 1, and a promise obtained from him to entrain for Chicago at once for a conference on the matter next day. The Fund officials issued a statement which said, in part: "The governor and the members of the legislature have exclusively the power to meet the situation. It is through them alone that adequate relief can be obtained. Unless they act promptly this community is faced with suffering and disorder."¹ Next morning the press brought the matter to public attention under sensational headlines.

On the morning of January 23 the Governor, leaders in the General Assembly, Fund officials, leading Chicago bankers and the Chicago newspaper editors attended a meeting at the Stevens Hotel. Two things came out of it. One was that the Governor and legislative leaders telegraphed all members of the General Assembly to return to Springfield on January 26 instead of February 2. The other was a legislative program essentially the same as the one finally adopted. Regarding these proposed bills the chairman of the Joint Emergency Relief Fund of Cook County was quoted as saying, "These bills simply have to go through and they must be effective at once. The poor are only a week from starvation."²

¹The Chicago Tribune for January 23, 1932.

²Ibid., January 24, 1932.

That was on a Saturday and over the week-end everyone breathed more easily with the assurance that the legislature had finally been impressed and would start action on Tuesday. When the legislators came to Springfield that day they were met with opinions of the Attorney General's office and the Legislative Reference Bureau that any business transacted under the improvised recall to duty, issued by the Governor and legislative leaders would be of questionable legality. It was thereupon decided to devote the week to preparation for action the following week, including careful drafting of the bills. The further decision was made that the Governor should call a third special session to convene the following week.¹ Meanwhile the General Assembly met in unofficial sessions on January 26 and 27 and were addressed by Chairman Edward L. Ryerson, Jr., of the Governor's Commission and by Mr. Joel D. Hunter, Superintendent of the United Charities of Chicago, who "gave vivid descriptions of cases of need that have come to his attention," and by Mr. DeWitt Billman of the Legislative Reference Bureau who explained the program of bills being prepared for introduction the following week. Meanwhile in the Chicago press the subject was news in every issue. One statement by the Governor's Commission was quoted as likening the disaster to war, "requiring heroic measures and warranting them."²

During this time the most important question was that of how to raise the necessary appropriation. At the beginning of this final two weeks of the legislative struggle a two cent per gallon increase in the motor fuel tax was prominently discussed. According to the press this idea was abandoned due to the opposition of the gasoline producers who threatened immediate efforts to have such legislation enjoined.³ Then came the plan which was eventually enacted. It had been worked out in conference between the Secretary of the Legislative Reference Bureau, investment bankers and attorneys and others. It was a somewhat complicated and ingenious scheme which was sincerely intended to place upon each county the burden of its own expenditures, payable out of

¹Ibid., January 27, 1932. A second special session had been running concurrently with the first since January 10.

²Ibid., January 26, 1932. ³Ibid., January 27, 1932.

its own motor fuel tax rebates.¹ It did eventually work out that way but pending the decision of the electorate on the bond issue in November there was a real possibility that the expenditure would be met through a substantial increase in the real property tax all over the state. For this reason legislators from down-state, who mistakenly viewed the whole thing as an exclusively Cook County problem, were wary of the plan from the outset.

This wariness led to a counter proposal during that week before the third special session convened. It was to authorize for Cook County a fifteen million dollar bond issue without referendum, to be retired out of that county's regular motor fuel tax rebate. The suggestion evidently was popular among members of the General Assembly but was promptly abandoned when the bankers advised that no one would buy Cook County bonds.² By Thursday attention turned back to the plan, which eventually became law, based upon the credit of the state. Everyone seemed resigned to the opinion expressed by the chairman of the Governor's Commission: "That plan [for state bonds] is our one and only chance for help from the legislature. It is that or nothing. It would be impossible to sell Cook County bonds for this or any other purpose."³ Governor Emmerson issued the call for the third special session to convene on Monday, February 1, with unemployment relief as the first item in the proclamation.⁴

Legislative action.--When the session convened relief funds in Chicago were exhausted. In the hope of favorable legislative action it was decided to keep the relief stations open and continue issuance of relief orders temporarily. The legislative program was drafted in the form of five bills upon which all the proponents of relief legislation were fortunately agreed. In summary the content of these bills, which became law without amendment, was as follows:

¹Infra, pp. 23-25.

²The Chicago Daily News and Chicago Tribune for January 27, 28, and 29, 1932.

³The Chicago Tribune for January 29, 1932.

⁴Senate Journal, 3d Special Session, 57th Illinois General Assembly, p. 2.

1. Created the IERC, to consist of seven members appointed by the Governor, not more than four to be of the same political party and as far as possible representing different sections of the state. Authorized the IERC to elect its own officers and make its own rules. Members to be reimbursed for necessary expenses but to receive no compensation for their services.

It shall be the duty of the commission until March 1, 1933, to provide relief to residents of the State of Illinois, who, by reason of unemployment or otherwise, are destitute and in necessitous circumstances. Such relief shall be provided by distributing funds or supplies and by any other means deemed desirable by the commission. For the purpose of carrying out the provisions of this Act, the commission may make use of and co-operate with counties, townships, and any other municipal corporations charged by law with the duty of poor relief and with other local relief agencies.

Appropriated twenty million dollars to the IERC.¹

2. Levied a tax upon the assessed taxable property of the State for 1932 in the amount of twenty-five million dollars. This tax was to be levied only to cover such notes of anticipation as had been sold and were outstanding against it when the time came to compute the necessary rates.²

3. Amended "An Act in Relation to the Anticipation of Taxes Levied by the State of Illinois." Empowered the proper state officials immediately to sell anticipation notes against the tax levied in Bill #2 in the amount of 75 per cent of the levy, the proceeds of such sale to go into the emergency relief fund. Also empowered the proper officials to redeem such anticipation notes from funds becoming available for the purpose from sources other than the levy of the tax.³

4. Authorized sale, subject to the approval of all the voters of the state at the general election in November, 1932, of twenty million dollars in state bonds, payable in twenty years, the proceeds to go into the emergency relief fund. Put the issuance, sale and retirement of these bonds under the general

¹Laws of Illinois, 3d Special Session, 57th Illinois General Assembly, pp. 191-192. The provision that the Commission might co-operate "with other local relief agencies" was included to assure the possibility of using private relief organizations as agents for administration of state funds.

²Ibid., pp. 202-203.

³Ibid., pp. 217-218.

supervision and control of the IERC. Provided for a state property tax levy for servicing the bonds, to be made only in case sufficient funds were not available for the purpose from other sources. Authorized the state to deduct from the regular allotment of motor fuel tax monies to counties for highway purposes, funds with which to pay interest and principal on the bonds. Such deduction for each county was to bear the same proportion to total deductions from all counties as the state relief funds spent by the county bore to total state relief funds spent by all counties. Provided for submission of the bond issue to the voters in the general election of November, 1932.¹

5. Amended the motor fuel tax law to permit expenditure of proceeds for retirement of the relief bonds, as called for in Bill #4.²

Each of the bills carried an emergency clause to make it effective immediately upon passage.

In the years that followed the enactment of this program the IERC and its administrative methods became the principal object of the legislator's interest in relief. But during that intense week when the bills were before the General Assembly, concern with the method of providing the funds overshadowed all other issues. The reason was clear. The immediate crisis was in Chicago and the fight for relief legislation was led by Chicagoans. This gave the whole crisis a dominant Chicago aspect and the needs of other communities in the state, serious as they were, got little consideration and by some downstate members of the legislature were even denied. As the "downstaters" viewed it the wealthy city was begging from the less fortunate rural sections. They were not unsympathetic toward the plight of the unemployed in Chicago; that was amply evidenced by the almost unanimous vote finally cast for the program. They probably would have voted gladly for any measure simply designed to help the city help itself but when it asked to lean on the credit of the whole state, with a strong possibility that downstate taxpayers would have to foot a large part of Chicago's relief bill, the downstate members objected with vehemence and good reason.

The legislative program contained in the above five bills

¹Ibid., pp. 193-195.

²Ibid., pp. 203-204.

may be summarized briefly as follows: As the only way to get money at once, the statewide real property tax levy was provided against which warrants could be sold. The bonds, if approved by a majority of all votes cast at the next general election, would be sold and the proceeds used to liquidate the outstanding tax anticipation warrants, thus making it unnecessary to collect the tax. The bonds were then to be paid off over a twenty-year period by deducting from each county's motor fuel tax rebates amounts proportional to the share of the relief money which the county had actually used. Finally, a statewide tax levy was provided for servicing the bonds in case the motor fuel tax rebate might be insufficient for the purpose.

Thus it was intended that each county should repay what it spent. But if the voters failed to approve the bonds or if the motor fuel tax rebate should prove insufficient to service the bonds additional taxes would be levied upon the entire state. There was no reason to fear such taxation under the latter contingency but it was greatly feared that in these hard times the voters would not approve the bond issue. It was upon this fear that the opposition of the downstate legislators was based.

When the bills were introduced in the Senate a downstate member immediately opened the attack by saying ". . . that Chicago was proceeding to raise \$400,000 for the opera; Chicago had no difficulty in putting up the \$300,000 for the national political conventions; Chicago was spending millions on the Century of Progress; therefore, Chicago should stop these projects and devote the money to charity."¹ Another senator asked: "What guarantee have we that the big interests in Cook County will support this bond issue?" Still another senator said that the bills looked like an effort to ". . . shift the burden upon downstate. I may say that we are afraid and even suspicious." When another downstate senator pointed out that referendum bond issues had been voted down by the people recently, a senator from Cook County replied: "Well, let's be fair about that. The people didn't vote for them because they didn't want to raise the taxes. They would vote for this one for the same identical reason."²

¹The Chicago Tribune for February 2, 1932.

²Ibid., February 3, 1932.

The first effort to pass the bills was made in the House and many Chicagoans, including the mayor, were present. When the initial roll call was taken on the first of the bills fifty votes were lacking for the two-thirds majority necessary to pass an emergency (immediately effective) measure. At this point the veteran speaker of the House broke his own policy of not speaking to a measure, and said:

There is grave danger now. The federal government has already issued the orders necessary to curb disorder if it arises. The mayor of Chicago is on the rostrum here and he is undecided whether he should agree to calling out the troops tomorrow morning. The armories are under guard now.

On a later roll call the bills passed with many votes to spare as most of the downstate members changed their votes to the affirmative. That they did so with a feeling of service to an irresistible humanitarian appeal is indicated by the following statements attributed to certain members as they voted aye: "There isn't going to be any blood on my hands tonight. I'm going to vote for this bill and sleep with a clear conscience. This is war. This is hell." "But if I am facing political death let me die doing the right thing."¹

Having passed the House the same battle had to be fought in the Senate. The bills went on first reading in the House on Monday, February 1. Tuesday they went to second reading and on Wednesday were passed and sent to the Senate. The Senate passed them on Friday and on Saturday, February 6, 1932, with the signature of the Governor, they became law. Once introduced, the program was made law in the shortest time constitutionally possible--an outcome which only the greatest optimists had expected and a rare experience for any legislative measure.

Conclusion

Thus did the State of Illinois, for the first time in its history, assume responsibility as a state for general assistance to its needy citizens. Perhaps the step was inevitable under the circumstances; certainly it was consistent with a nationwide

¹Ibid., February 4, 1932.

development. The fact that the metropolis of Chicago had reached a crisis in unemployment relief at a time when its local government was, for reasons other than the depression, unable to raise any considerable public funds itself, explains why state authority was forced to enter the relief field in Illinois at the time it did. However, it is probably true that had this concatenation of circumstances not occurred in Chicago the breakdown of local responsibility at various points in the state would soon have forced essentially the same development.

Logically it would be expected that in considering a proposal of this kind the debate in the legislature would center on questions of administration and the wisdom of putting the state in a function which was a traditional local responsibility. But this was not the case. Local responsibility had clearly failed. It was assumed that the state must enter the field. Furthermore, in Illinois the question of how to finance the new program seemed so important that the creation of a new and unprecedented state agency with almost unlimited authority to administer relief took place almost as a matter of course.

Instead of creating a new ad hoc body to administer state relief funds the General Assembly might have assigned the task to the State Department of Public Welfare. Or it might have provided for direct payment of state relief funds to the local units, according to some statutory apportionment, without involving any state agency in relief administration. The reasons for creation of the emergency commission can only be conjectured. The State Department of Public Welfare did not ask for the job of administering emergency relief funds and such an assignment may not have occurred to the legislature as particularly logical. The idea that most communities did not need state aid for relief probably had something to do with it also. Furthermore, New York and also New Jersey had recently created state emergency relief agencies which probably served as examples for Illinois.

There was another important factor which both facilitated the break with the ancient tradition of local responsibility for poor relief and led to the creation of the special emergency administrative agency, not only in Illinois but in many other states. Most legislators shared the popular assumption of the time that the whole depression, including measures taken to

relieve the distress it caused, was wholly temporary. There were those who wisely prophesied a long, hard pull ahead but for the most part people clung to the belief that prosperity was "just around the corner." Naturally therefore the entrance of the state into the administration of general relief was regarded not as a revision of the ancient pattern but merely as a temporary expedient for a temporary situation. In the law which created it the IERC was given just thirteen months of life.

Needless to say events discredited that popular view of the depression. In retrospect the legislative acts which brought state governments to the rescue of the local units in the field of poor relief take on a significance which the legislative bodies were not aware of at the time. It now appears that those acts mark a milestone in the history of public welfare administration in the United States.

CHAPTER II

ADMINISTRATIVE ORGANIZATION OF THE IERC

The Commission

Membership of the Commission.--On February 8, 1932, two days after he signed the law creating the Commission, Governor Louis L. Emmerson announced the appointment of the original seven members.¹ In view of the provision in the statute that "so far as possible the members shall be selected so as to give representation to different sections of the state," it is noteworthy that only two of the seven members were from outside Chicago. The explanation is found in the statement attributed to the Governor when he announced the appointments. "Chicago was given five members because the relief program is essentially a Chicago matter. . . . I have given much time to the selection."² The Commission was soon to discover that the relief program was not essentially a Chicago matter, but a statewide concern.

The original membership of the IERC also is noteworthy in that it included no persons professionally engaged in public welfare or social work, and only one³ who, in a lay capacity, had had extensive opportunity to become especially familiar with such activities. This lack has also been conspicuous among appoint-

¹They were: Mr. E. L. Ryerson, Jr., of Chicago, a business man, president of the board of directors of the Council of Social Agencies of Chicago, and also head of the Joint Emergency Relief Fund of Cook County; Col. A. A. Sprague, of Chicago, and Commissioner of Public Works for that city; Mr. J. M. Cudahy, of Chicago, a business man; Mr. S. L. Insull, Jr., of Chicago, a business man, and the head of the voluntary campaign for emergency relief funds in Chicago in the winter of 1931-32; Mr. V. A. Olander, of Chicago, secretary of the Illinois Federation of Labor; Mr. O. H. Wright, of Belvidere, a banker and former State Director of Finance; Mr. Arthur Eldman, of Belville, a banker.

²The Chicago Tribune, February 9, 1932.

³Mr. E. L. Ryerson, Jr. (see footnote 1, above).

ments subsequently made as vacancies arose.¹ The Commission could not have been more diligent, but it would have been better equipped for its task if the membership had included more of this kind of pertinent experience.

The statute has never set a term of office for IERC membership. As the result of resignations, and automatic changes in the ex-officio members, there was an approximate average, up to January 1, 1939, of one new member every four months. The long continuous service of certain members² served to stabilize the Commission in spite of the frequent changes in membership.

In addition to the seven appointed members of the Commission there are three who serve ex officio. When federal funds first became available for unemployment relief, late in July, 1932, the federal statute made the governors directly responsible for funds loaned to the states.³ Governor Emmerson appointed the IERC to be his administrative agent and added to it, for the purpose, the State Auditor of Public Accounts, the State Treasurer, and the Director of the State Department of Finance. Thus, with ten members,

¹New members, since the original seven, with year each began, are as follows: 1932: G. A. Barr, of Joliet, an attorney; W. H. Sexton, Corporation Counsel of the City of Chicago; E. J. Barrett, State Treasurer (ex officio); G. DeF. Kinney, State Director of Finance (ex officio); Oscar Nelson, State Auditor (ex officio); P. S. Abt, of E. St. Louis, a banker. 1933: J. C. Martin, State Treasurer (ex officio); J. J. Rice, State Director of Finance (ex officio); R. J. Dunham, of Chicago, a business man; Charles Boeschstein, of E. St. Louis, a business man; J. P. Roche, of Chicago, a business man. 1934: K. L. Ames, Jr., State Director of Finance (ex officio). 1935: John Stelle, State Treasurer (ex officio); L. G. Goudie, of Chicago, a union labor official; M. L. Straus, of Chicago, a business man. 1936: D. C. Smith, of Belleville, a business man and former chairman of St. Clair County Emergency Relief Committee; S. L. Nudelman, State Director of Finance (ex officio). 1937: T. E. Courtney, of DeKalb, a business man; G. W. Young, of Chicago, a business man. 1938: N. H. Jacoby, of Chicago, a university professor.

²The longest service was that of Mr. Omar H. Wright, of Belvidere, an original member and still serving January 1, 1939. Mr. W. H. Sexton, of Chicago, appointed April, 1932, was also still serving January 1, 1939.

³Emergency Relief and Construction Act, 1932. 47 United States Statutes at Large, Part I, p. 709.

the new body was formally organized on August 5, 1932, as the Illinois Emergency Relief Commission (Federal). It has been formally distinct from but has functioned concurrently with the IERC, which has continued to control the administration of the remaining State funds. The existence of the two distinct organizations has occasioned little confusion in operation; the procedures and policies of the two Commissions have been identical.¹

Late in 1932 the General Assembly increased the Commission membership to include the three state officials ex officio and sanctioned administration of federal funds by the IERC.² The Commission, however, maintained the distinction between state and federal until July, 1933.³

Why the Governor originally thought it necessary to add these three officials to his own seven original appointments is not clear. The three members thus added had no particular qualification for relief administration. The State Treasurer serves a term of only two years and between August, 1932, and January, 1939, there were four different incumbents in the appointive office of Director of Finance; thus the turnover in Commission membership was increased.

Activity of the Commission.--From the beginning the Commission devoted itself energetically to its task; the relief program in Illinois has been governed by a board in fact as well as name. Until July 1, 1936, when it was relieved by statute of responsibility for relief administration⁴ meetings were held once a week with only occasional exceptions. After that its duties were less voluminous and its meetings less frequent, averaging about two per month. Meetings usually lasted half a day and sometimes a whole day. The agenda always were carefully prepared in advance by the Executive Secretary and the staff, often in conference with the chairman, and meetings were conducted by the chairman with such dispatch and order as was consistent with complete freedom of discussion.

¹First Annual Report of the IERC, p. 9.

²Laws of Illinois, 1932, 4th Special Session, 57th General Assembly, p. 2.

³Minutes of IERC meeting on July 7, 1933.

⁴Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, pp. 27-29.

From the viewpoint of sound administrative procedure the Commission functioned well. The entire function of administration was placed in the hands of the employed staff and rarely did individual members of the Commission, with the exception of the chairman, who was expected to advise as necessary with the Executive Secretary, attempt to interfere. Members often were approached by groups or individuals with special interests or grievances related to the administration of the IERC program; they regularly referred such matters to the executive staff or to the whole Commission in regular meeting.

The Commission always retained for itself, with staff advice of course, the functions of rule and policy making, allocating of funds, letting of contracts, and adjudicating of important complaints and controversies. The Executive Secretary had power to act for the Commission in case of emergency, which he was occasionally obliged to do, but such acts waited for final validity upon formal action of the Commission. In its meetings the Commission required attendance of the chief executive officers and often called upon other staff members when needed; but it often devoted part of a meeting to "executive session," during which all persons except members and the Executive Secretary usually were excluded.

Although the work of the Commission members was largely confined to business done in meetings this was not entirely true. The chairman¹ always carried a heavier burden than the other members, maintaining an office at headquarters where he held conferences, handled correspondence and advised with the executive staff between meetings. On several occasions members spent time at the national and state capitols on behalf of IERC business, and between meetings no member was free from petty matters pertaining to relief. On at least one occasion the members visited certain of the relief stations in Chicago.² Subcommittees were several times created to deal with special matters. Inspection visits to local relief offices elsewhere in the state would have given the Commission members more intimate appreciation of relief needs and

¹Mr. E. L. Ryerson, Jr., was chairman from the beginning until the summer of 1933; Mr. R. J. Dunham from September, 1933, until April, 1935; and Mr. J. C. Martin from April, 1935, until January 1, 1939.

²Minutes of meeting of the IERC on August 19, 1932.

problems. Such visiting was suggested by the staff¹ but never done beyond the contacts which some of the downstate members perhaps had with the offices in their home counties.

At two different times there were special assistants to the chairman. From early in 1932 until late in the following year a public-spirited citizen of Chicago voluntarily gave much time and advice, especially in connection with business affairs of the IERC, and was given the official title of assistant to the Chairman.² When the original Executive Secretary of the Commission resigned on January 1, 1936, his services were retained in an advisory capacity under the title of Executive Assistant to the Chairman.³ This position was made vacant by resignation in the summer of 1936 and was discontinued.

The State Office

Location of the State Office.--The IERC has always had its headquarters in Chicago. It probably was located there in the beginning because most of the Commission members lived in Chicago, because at the time attention was disproportionately centered on the relief needs of the metropolitan area, and because the organization was expected to be very temporary. There is no evidence that removal to the seat of state government in Springfield was ever seriously considered. However, the need for some continuous representation there was increasingly felt and in June, 1935, an office, primarily for public relations purposes, was opened in the state house and the position of State Field Representative created, to be in charge under direct supervision of the Executive Secretary.⁴

The Chicago office had certain advantages: the Commission has always been able to deal at close range with the complex relief problem of the city; the state relief administration escaped

¹Minutes of meeting of the IERC on August 24, 1934.

²Mr. Charles B. Goodspeed; Minutes of IERC meeting on November 4, 1932.

³Mr. W. S. Reynolds; Minutes of IERC meeting on November 22, 1935.

⁴Minutes of IERC meeting on June 7, 1935.

some petty interference of a political nature by being removed from the center of state politics; qualified personnel of all grades was available in Chicago; and there may have been other advantages.

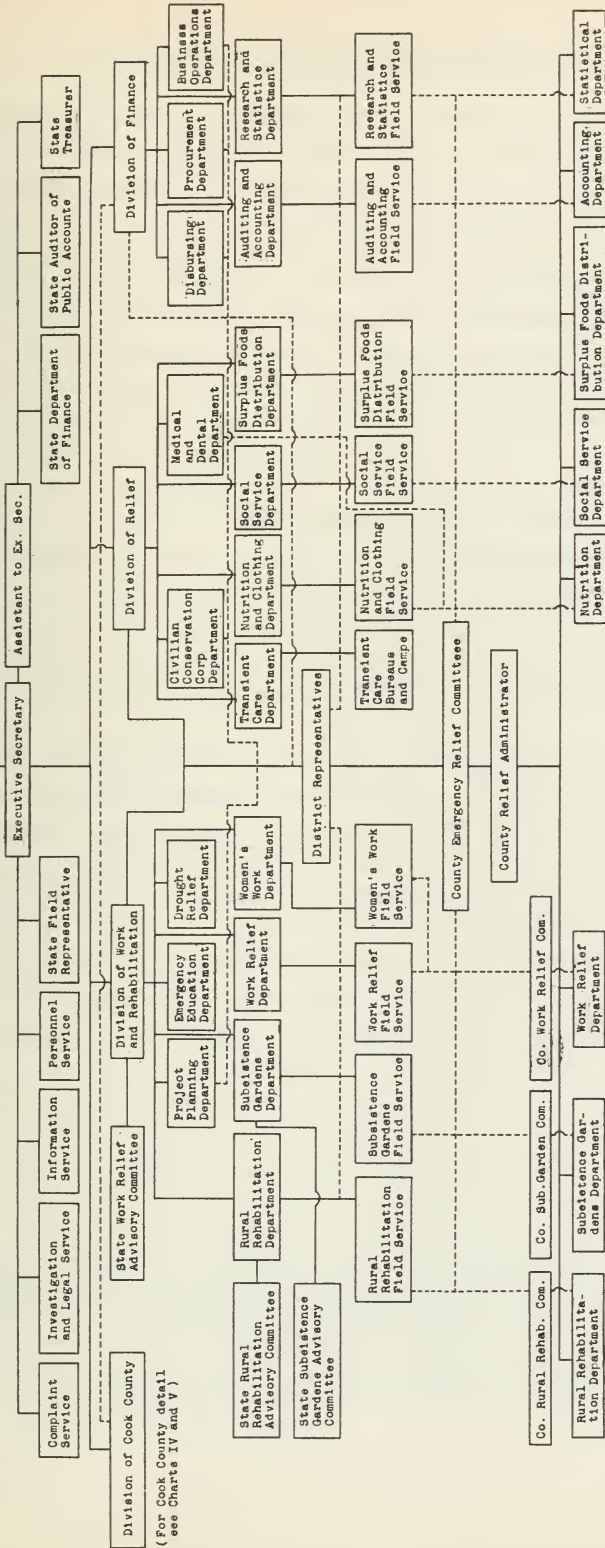
There also were important disadvantages. There always was some feeling downstate that the IERC gave a disproportionate share of its attention, if not of its funds, to Chicago and Cook County. To some extent this feeling probably was justified. If so, the reason was not that the Commission or its staff intended it to be so but rather because it was, under the circumstances, inevitable; what with the state office in Chicago, a majority of the members and almost all the state office staff residents of Chicago, and the chief executive officer of the Commission sometimes serving concurrently as relief administrator for Chicago and Cook County.

These circumstances, among which the location of the state office was not the least, accentuated the involvement of the IERC in the old Downstate-versus-Chicago animosity which has long permeated state affairs in Illinois. It was a disadvantage too that the IERC office was without direct contact with state officials and state operations generally; that kind of contact, irritating at times, which any public service must maintain and make the most of under democratic government. It may have been something of a disadvantage also that the state auditor, treasurer and director of finance were obliged to establish special branch services in the IERC office, although much of this additional expense could not have been avoided. Finally, Springfield is geographically central in the state. Eventually the state relief service, like other state services, will headquarter at the capitol in Springfield while maintaining necessary branch service in Chicago; and the IERC would more wisely have done so from the start.

Organization of the State Office.--The administrative organization of the IERC was characterized by growth and change. Chart I, although it approximates the organization that was in effect in 1934 and 1935, does not represent the set-up at any given date. Rather does it portray a complete picture of the organization, including all important parts which it had during the first seven years of operation. Those seven years can be divided into three quite distinct phases.

Governor of Illinois

Illinois Emergency Relief Commission	Assistant to Chairman
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The first phase ran from February, 1932, until the Spring of 1933. During this time the IERC developed its organization to keep pace with an increasing number of counties requiring assistance and an improved state program of relief and work relief. Although it began in July, 1932, to use funds loaned through the Reconstruction Finance Corporation the autonomy of the Commission was little affected during the period. The basic form of organization at both state and local levels was emerging at its close.

The second period or phase began with the Federal Emergency Relief Administration in the Spring of 1933 and ran until midway in 1936. In this time the IERC program and organization reached its maximum development: the program extended to every county in the state; conditions imposed by FERA grants and special programs inaugurated by the FERA had to be accommodated in the IERC administration; the IERC served as Civil Works Administration for Illinois; and the programs of direct and work relief were refined and amplified. In this period the organization, as well as the program, was greatly influenced by the federal government.

The third phase ran from July 1, 1936, when the IERC organization was radically modified and reduced, following withdrawal of federal aid for direct relief on January 1, 1936, and the consequent action of the Illinois General Assembly which relieved the IERC of responsibility for relief administration and allowed it to go back under the poor law.¹

In the beginning the Commission employed an Executive Secretary, Associate Executive Secretary, Chief Auditor, and Chief Statistician. From the nucleus of these four officers, their secretaries, and several assistants for the auditor and the statistician, the state office grew in approximately two years to the size and organization indicated by Chart I. The Executive Secretary² has functioned as the general manager of

¹See footnote 4, p. 31.

²Mr. W. S. Reynolds, Director of the Council of Social Agencies of Chicago, was granted a leave of absence by that organization to serve as IERC Executive Secretary from February, 1932, until January 1, 1936 (Minutes of IERC meeting on February 18, 1932). Mr. Leo M. Lyons, who succeeded him and was still serving on January 1, 1939, had been in the service of the IERC as District Representative and Cook County Relief Administrator.

the organization and in that function has always enjoyed a high degree of co-operation and backing from the Commission. The Executive Secretary's advice usually was sought but not always followed by the Commission on matters coming before it.

Between November, 1933, and July, 1935, an Assistant to the Executive Secretary was employed as a staff officer.¹ That was the one instance in the IERC set-up of pure staff personnel as distinct from the auxiliary or operating services; however, the Executive Secretary often made use of division administrators and some department directors to obtain facts and advice pertinent to his plans and decisions.²

Early in December, 1933, the Commission appointed the Executive Secretary to serve in the dual capacity as Administrator of Relief for Cook County.³ It is not surprising that this arrangement proved unsatisfactory. A few months later it was reported to the Commission that "the duties of the Executive Secretary are such as to make it impossible for him adequately to discharge the important responsibility of Administrator of Relief in Cook County" and the latter position was filled by a new appointment.⁴ However, the duality became effective again on January 1, 1936, when the Cook County Relief Administrator, without being relieved of that position, was made Executive Secretary to the Commission. After July 1, 1936, the Chicago Relief Administration was created, in conformity with the statute which relieved the IERC of responsibility for relief administration and therefore abolished its Cook County organization. The Executive Secretary was appointed Relief Commissioner of Chicago by the City Council, thus continuing the duality. In a meeting of the Commission "the matter of employment by two agencies was discussed

¹Payroll Records of the IERC.

²For example, in September, 1933, he appointed the Director of Personnel, Chief Auditor, and Associate Executive Secretary to constitute a Committee on Administrative Organization and Control, whose duties were to: "(1) Review at once and periodically thereafter the administrative office organization of the Commission; (2) Review the fiscal procedures of the local relief organizations; and (3) Make recommendations to the Executive Secretary relating to (1) and (2)" (from the files of the IERC).

³Minutes of IERC meeting on December 8, 1933.

⁴Ibid., March 23, 1934.

and it was the consensus of opinion that inasmuch as the duties were similar that this arrangement would be permissible."¹ On January 1, 1939, the Executive Secretary of the IERC and the Relief Commissioner of Chicago were still the same person.

Both of the above instances of dual employment arose solely because each of the two jobs appeared to need the services of the same man, with his particular combination of experience. Criticism of the arrangement is valid on grounds of administrative wisdom but on no other. Each of the two positions deserves the full time of one capable relief administrator and should have it; as has already been noted the duality was once discontinued for this reason. The duality gives to one local relief authority intimate access to the Commission such as no other one enjoys. It damages the public relations of the IERC by engendering ill feeling among other local relief authorities.² Finally, it would seem to be an imposition upon the incumbent, even though no personal complaint has ever been made on that score.

The Associate Executive Secretary was originally employed "to plan and direct the field work of the Commission."³ This officer, under direction of the Executive Secretary, was in general charge of the relief program outside Cook County; he directly supervised the District Representatives,⁴ and co-ordinated the entire field service. When, in 1934, the organization of the IERC was recast into a Relief Division and a Work and Rehabilitation Division (see Chart II) the Associate Executive Secretary served as administrator of the former and, according to the plan, shared direction of the District Representatives with the administrator of the latter. While it lasted this dual control of the field service brought no difficulties; there happened to be excellent working relationships between the two division administrators and field staff control remained principally under the

¹Ibid., July 7, 1936.

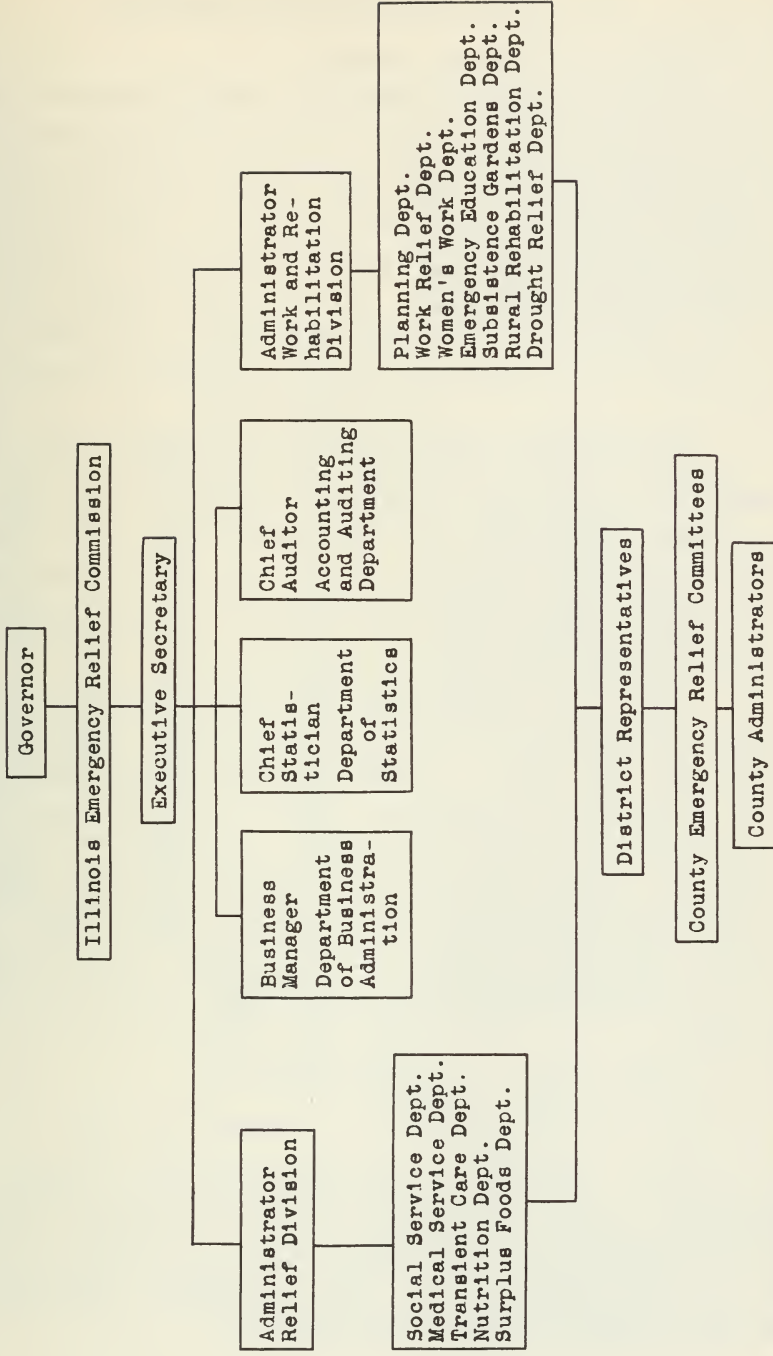
²The Chicago Tribune, December 3, 1937, reports such feeling expressed in a meeting of township supervisors from 12 counties, held in Rockford, Illinois, the previous day.

³Minutes of IERC meeting on February 18, 1932.

⁴See infra, pp. 45-49.

CHART II*

BASIC ORGANIZATION PLAN, IERC, JUNE 30, 1934



*IERC Second Annual Report, p. 11.

administrator of the Relief Division.

As a part of the reorganization which followed the termination of IERC responsibility for relief administration on July 1, 1936, the Relief Division and the position of Associate Executive Secretary were abolished. The IERC retained responsibility for certifying persons eligible for participation in WPA and other federal programs, plus an advisory and supervisory relationship with local relief authorities. To execute this program there was set up a Division of Certification and Service (see Chart III), and the position of Assistant Executive Secretary was created to head it.¹

The other two executive positions originally established by the Commission were Chief Statistician and Chief Auditor, whose respective functions were "to direct the gathering and compiling of information necessary as a basis for decisions as to local allocations of funds" and "to co-operate with the State departments with respect to the fiscal handling of the relief disbursements, the drafting of blank forms, the routinizing of same, and to set up the necessary records of the Commission."²

Under these two officials there developed respectively the essential departments of Statistics and Research, and Auditing and Accounting. The former, in addition to the function originally assigned the Chief Statistician, took over the statistical reporting required of the state by the FERA, has prepared all official reports of the IERC, including the annual and biennial reports, and the Monthly Bulletin on Relief Statistics which began with January, 1934, and has prosecuted surveys and statistical analyses of various phases of the relief problem.³ The Division of Auditing and Accounting has been responsible not only for all

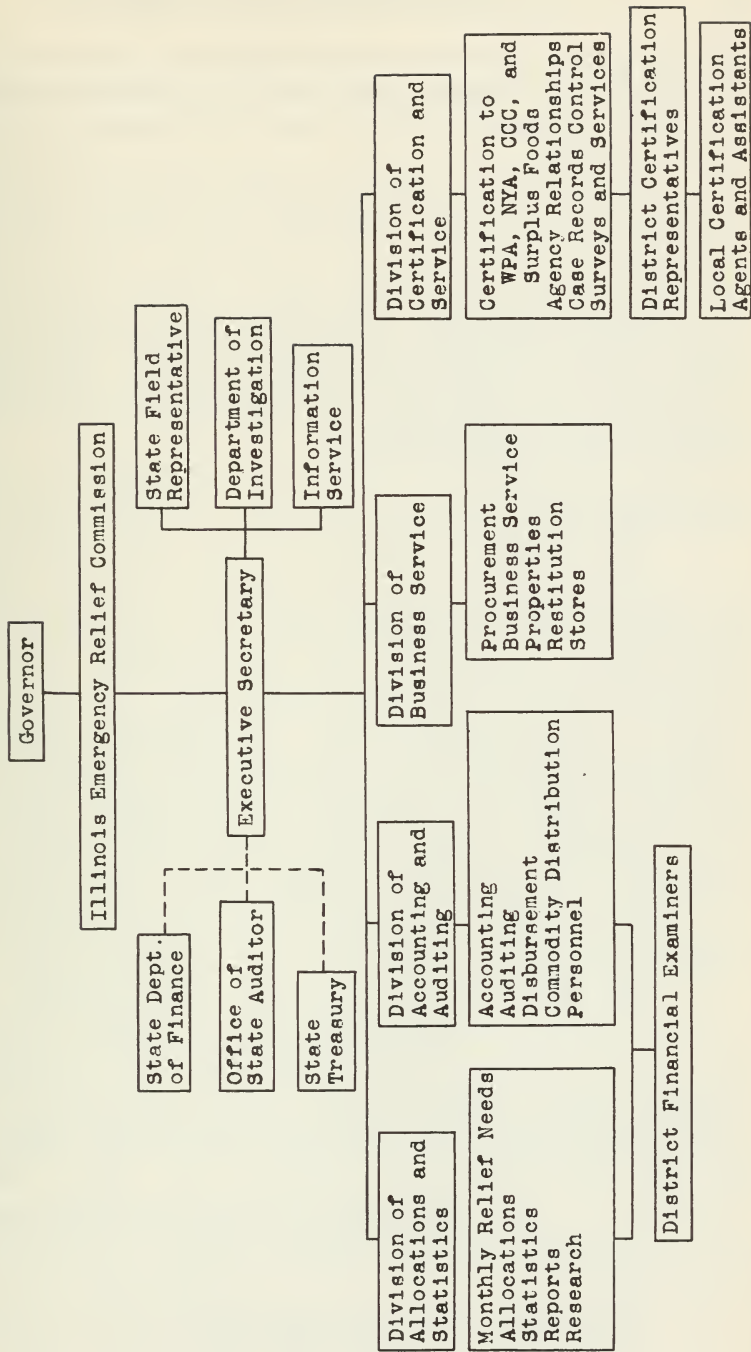
¹IERC Official Bulletin, No. 670.

²Minutes of IERC meeting on February 18, 1932.

³E.g.: "Analysis of One-Person Cases Open on the Home Relief Rolls of the Chicago Relief Administration in November, 1936, by Age, Sex, Color, Employability and Type of Domicile," December, 1936 (IERC mimeograph); "Preliminary Report on Survey of Unemployable Cases Open on the Chicago Relief Administration Rolls May 15, 1937," August 12, 1937 (IERC mimeograph); "The Relief Problem in Illinois--A Report to His Excellency, Henry Horner, Governor," April 15, 1938 (IERC mimeograph).

CHART III

IERC ORGANIZATION PLAN, EFFECTIVE JULY, 1937
(Still in Effect January 1, 1939)



accounting operations but also for regular financial auditing of the county relief administrations and for aiding with administrative studies made from time to time in the county and state offices of the IERC.

During its first year the IERC developed a third essential auxiliary department, described in the First Annual Report as follows:

The Purchasing Department of the Commission has been in charge of the purchases of supplies and equipment and has also been instrumental in securing great quantities of equipment and services without cost. In addition, this department has had charge of employment for the central office of the Commission and has co-operated with the Department of Nutrition Service in the determining of family relief budgets.¹

Later this department took the name of Department of Business Administration and its director the title of Business Manager.

Until midway in 1935 each of these three large auxiliary or operating services was an independent department, directly responsible to the Executive Secretary. In July that year the Finance Division was created,² with the Comptroller of the Budget, who had been employed several months earlier, at its head (see Chart I). All operating services of a business or financial character were lodged in this division, most important among them the three services just mentioned. This reorganization was sound from the point of view of effective administrative planning. However, organization habits of long standing proved hard to change, which fact, together with limitations shown by the personnel responsible for effecting the transition, negated much of the expected improvement in organization tone and efficiency.

The Relief Division has already been discussed conjointly with the position of Associate Executive Secretary, which officer also served as the division administrator. Of the departments here (see Chart I) those of Social Service, Medical and Dental Care, and Nutrition and Clothing were basic to the relief service. The other three departments--Transient Care, Surplus Foods Distribution, and CCC Certification came into existence to administer for Illinois special nationwide programs initiated by the

¹First Annual Report of the IERC, p. 19.

²IERC Official Bulletin, No. 518 (July 20, 1935).

federal government. The administration of social work policy and skill lodged in this division and since that is the basic part of any good relief administration, this was the basic part of the IERC organization.

The other administrative division was that of Work and Rehabilitation. At the head of it was the Administrator of Work and Rehabilitation, responsible, like the other division heads, to the Executive Secretary. The Commission early developed work relief and subsistence gardens programs, which became departments in the division. The other departments were called into being by special programs of the federal government. This division was in full activity only between the spring of 1934 when the CWA program closed, and the autumn of 1935 when WPA got under way. With the coming of the WPA program the Division of Work and Rehabilitation began to be disbanded, and since July 1, 1936, it has, of course, not existed.

Three statewide advisory committees were appointed by the Commission to function in connection with the Work and Rehabilitation Division. In March, 1934, upon recommendation of the administrator of the division, a State Work Relief Advisory Committee of nine members was appointed.¹ The explanation may lie in the fact that the division administrator who recommended it had for some time been connected with the work relief program in Chicago which had found a committee of local citizens advantageous. The new statewide committee held monthly meetings, appointed subcommittees on particular phases of the program, received reports from the executive officers in the division, and maintained its interest.² In July, 1935, "in view of the recession of work relief and the assumption of this character of work by the WPA," the Commission discharged the committee.³

The State Advisory Committee for the Rural Relief program was appointed on recommendation of the executive staff, shortly after the FERA announced the original rural rehabilitation program

¹Minutes of IERC meeting on March 30, 1934.

²Minutes of meetings of State Work Relief Advisory Committee, in files of the IERC.

³Minutes of IERC meeting on July 12, 1935.

in March, 1934.¹ With the intention that others would be added only the Dean of Agriculture of the University of Illinois and the Director of the State Department of Agriculture were appointed "to form a nucleus for immediate consultation." The Illinois Rural Rehabilitation Corporation, created later the same year, brought the state advisory committee to an early end. A state advisory committee was also appointed in connection with the subsistence gardens program.

The advisory committee on rural rehabilitation was too short-lived to become useful. The other two advisory groups functioned earnestly but found a large part of their time absorbed in just keeping abreast of the temporary and fluctuating programs. However, the executive officers responsible for the respective programs regarded the advisory committees as valuable adjuncts to the organization.

For each of the departments shown within the respective divisions on Chart I was a department director responsible to the division administrator. They functioned, with respect to their particular departments, in the typical manner of a sub-executive in the line.

Outside the three divisions were certain services at the state office which were directly responsible to the Executive Secretary. The Assistant to the Executive Secretary, a purely staff functionary,² and the State Field Representative have already been mentioned. In addition were the Personnel Service,³ which became a separate unit early in 1935; the Information Service,⁴ whose function was principally that of maintaining IERC contact with newspapers in the state; the Complaint Service, which handled and channeled individual complaint letters, mostly for Cook County; and the Investigation and Legal Service, which dealt with individual cases of client fraud, contract violation, et cetera.

Because the financial operations of the IERC were subject

¹Minutes of IERC meeting of April 6, 1934.

²Not to be confused with the Assistant Executive Secretary, an administrative position created in September, 1936.

³See chap. 111, pp. 66-68.

⁴See chap. 1v, pp.143-144.

to the regular fiscal procedures of the state government the State Auditor of Public Accounts, State Treasurer, and State Director of Finance maintained special units at IERC headquarters. Although most of the employees in these units were paid (though not selected) by the IERC, the offices themselves were not part of the organization.

General functioning of the State Office.--The daily flow of business in the state office was neither rigid nor lax in its obedience to the hierarchical channels of line organization; every department did, and was expected to, judge for itself whether the affairs of the moment could best be handled by following the lines or by cutting across them. Sometimes it happened that an official was not consulted or informed as he should have been; but instances of embarrassment or ill-feeling from this cause were not many and there seldom was cause for discipline from the top executives.

In view of the pressure and uncertainty and constant public criticism under which the program of the IERC was carried on it may seem strange that employees, both high and low, often remarked upon the superior esprit de corps which for the most part prevailed in the organization. Paradoxically, the common bond which the personnel felt in these very circumstances, had a salubrious effect on the tone of the organization. Over a long period of time this effect would be reversed; but especially during the period of its heaviest burden, from February, 1932, until July, 1936, the organization worked under an emergency psychology. There were additional, and probably more important, reasons why the organization functioned well. Among them were the leadership qualities of the chief executive; the youth of the organization which had not had enough time to develop deep-set personal rivalries and animosities among the staff; and the general merit basis of personnel selection.

The Field Service

Even though the IERC program was essentially state-administered, the field service, which linked the state office to the local administrative units, was a distinct and highly important part of the organization. Because the Commission vested consid-

erable authority in the County Emergency Relief Committees the field function closely resembled that of more recent public assistance programs in which authority and responsibility are shared, under statute, by county and state.

The state field service in a public assistance program can be constructed on either one of two general patterns. One of them provides a more or less independent field staff for each aspect of the program which requires service in the field, each such staff having full authority in the field with respect to its own part of the job. The other calls for a basic, generalized field staff with each member assigned a territory within which he is responsible for field operations. Such special field workers as may come into the territory are by way of supplementing his efforts and owe administrative responsibility to him.

The field service of the IERC grew up with little conscious effort to conform to either pattern but early experience with conflicting advice from different field operators to the same local unit led eventually to approximate conformity with the latter pattern.

The District Representatives.--The basic field position was that of District Representative. Early in the program the duties of this position were outlined as follows:

1. Investigating and reporting on each new county applying for State or Federal funds and, when allocations are made to such counties, assisting in the establishment of relief organizations.
2. Advising all counties on standards and methods of relief administration.
3. Recommending to the Commission monthly allocations of funds for counties making applications therefor.
4. Assisting counties in making monthly reports.
5. Interpreting the policies and requirements of the Commission to the County Committees.
6. Reporting regularly to the Commission on the general situation and special needs of each county.
7. Carrying out special assignments from the central office.¹

¹First Annual Report of the IERC, pp. 23-24.

To the above should be added the recommending of appointees to membership on County Committees and, as later developed, supervising and co-ordinating all field activities in the district. The District Representatives also played an important part in public relations over the state.

The number of District Representatives expanded with the IERC program and reached a maximum of twelve, with a modal number of nine counties to a district. That assignment was small enough for reasonably thorough handling but, particularly in the early months of the IERC, assignments were too heavy for good work.¹

The District Representatives were supervised by the administrator of the Relief Division and their function given a social work emphasis. They maintained close contact with all departments of the state organization and were frequently present at meetings of the Commission when problems concerning their counties were under consideration. Each one had an office in his district but spent most of his time in field contacts. Each one reported regularly to the state office for supervision and conference, and all of them were frequently called in at once for staff meetings.

Other field personnel.--As indicated in Chart I there were four departments in the Relief Division and as many in the Work and Rehabilitation Division which had special field personnel. Most of these department field services included but two or three persons and they were typically specialists. They all did more or less routine visiting of county offices but spent much of their time responding to calls from counties or District Representatives in need of special help. All of these department field workers received their technical direction and, to a large extent, their assignments, from their respective departments, but while they were in the field they were always under the general supervision of the District Representative in whose territory they happened to be. This supervision from the District Representative, who was well informed about local situations, proved highly useful to the department field people and absolutely

¹On January 1, 1933, District Representatives were responsible for as many as 13, 14, and 19 active counties. First Annual Report of the IERC, p. 23.

essential to effective field operation.¹

The largest and most important among the department field services was that of the Work Relief Department. When the IERC work relief program was at its height in the period before the WPA began a work relief representative was assigned to each district and served as regular assistant to the District Representative.

In the operating service the IERC always maintained a staff of field auditors and another of field statisticians. The former performed both accounting² and auditing functions and supervised the county offices in the keeping of required accounts. The field statisticians supervised the preparation of statistical reports required from the counties. These field workers in the Finance Division were not, and did not need to be, subject to the supervision of the District Representative as were the department field workers in the two administrative divisions. Actually there was close co-operation and District Representatives were expected to be consulted when field operations of the Finance Division involved administrative matters--which they often did.

Taken altogether the IERC used, at one time or another, at least ten different varieties of specialized personnel, in addition to the District Representatives, to maintain the relationship between the state and county levels of the administration. Each field worker had to be concerned with his relationships to other field workers, to the state office, to the District Representatives, and to the county relief administrations. Complex as it seems to have been it did work reasonably well. Such success as the field service had was attributable to the quality of the field personnel, co-ordination in the field through the District Representative, unified control of the District Representatives

¹Field representatives for Transient Care and Rural Rehabilitation Departments were independent of District Representatives because those programs were directly state-administered and not administratively related to the county organizations.

²The Commission at one time used a decentralized accounting system which included district accounting offices through which went all disbursing orders on their way from the counties to the state office. District Auditors were in charge of these offices.

from the state office, and a headquarters organization, always reflected in the field operations, which itself functioned smoothly.

When the IERC was relieved of responsibility for relief administration in 1936 the field organization was revised in form and radically retrenched in size and function. The new Division of Certification and Service (see Chart III) retained the District Certification Representative as successor to the former District Representative, and the two Divisions of Allocations and Statistics, and Accounting and Auditing maintained jointly the District Financial Examiners. There was also a staff of field auditors, performing the function of the State Auditor of Public Accounts but working under supervision of the Chief Auditor of the IERC. In December, 1938, there were eight field districts in each of which was one District Certification Representative and one District Financial Examiner.

The original county relief organizations of the IERC, presently to be described, were done away with in 1936. Thereafter the IERC maintained a staff of local Certification Agents and Assistant Certification Agents whose principal function was to certify eligibles for the federal programs in each county. They were responsible directly to the state office, through the District Certification Representatives.

The Downstate Counties

At the time the IERC was organized the townships were responsible for financing and administering relief under the Illinois Poor Law. The Commission however, being responsible by law for the administration of state relief funds,¹ was limited in administrative powers only by the Constitution and the State Finance Act of Illinois. It could not delegate its own statutory responsibility but was free to use any administrative unit and to appoint either existing officials or representatives of its own to serve as local agents.² Evidently recognizing the deficiencies

¹Supra, chap. 1, p. 23.

²Illinois Attorney General's Opinions, 1932, pp. 129-133.

of township administration the Commission, upon recommendation of the Executive Secretary, promptly adopted the county as the administrative unit for state funds.

The County Emergency Relief Committees.--At the same time the Commission took the following action: "To facilitate the work of the Commission the presidents of the county boards in counties having applied for relief shall be requested to nominate a county emergency relief committee of not to exceed five members representing the county board, social welfare and civic interests, which committee, when appointed by the IERC, shall be its representative for the administration of relief."¹ Such committees were appointed in every county except Cook and they became at once one of the most interesting and most perplexing parts of the entire administrative organization.

Original nomination of county committee members by the county board chairman frequently resulted in the inability of the District Representative to recommend the nominees to the Commission, with consequent embarrassment to the county board, the nominee, the Commission and the District Representative. Eventually the procedure was revised to make nominations originate with the District Representative who was obliged to consult the county board chairman before making recommendations.²

On the theory that the service was a civic responsibility no compensation was allowed for county committee membership. That probably was a wise rule, but the general policy of the Commission not to reimburse county committee members for necessary travel expense within the county worked a genuine hardship on a minority of them.³

The District Representative sometimes made an effort to have important political parties and factions represented on the county committee but was always on the alert to avoid nomination of any citizen who would be primarily motivated by political partisanship. The Commission rarely showed any interest in the

¹Minutes of IERC meeting on February 18, 1932.

²Minutes of IERC meeting on February 9, 1934.

³Reimbursement was given for expense of trips outside the county, authorized by the District Representative or the state office.

political affiliations of nominees. The chairman of the Commission once suggested, as a device for eliminating politics from the county committees, that all of them be reorganized on an outright bipartisan basis, a policy which the Commission wisely refused to adopt.¹ In 1935 the Commission prohibited membership on county committees of persons who were candidates for public or political party office.² In spite of all efforts to avoid it the County Emergency Relief Committees were sometimes influenced by partisan political considerations. They were many times accused of political activity for the relief program was a popular political issue, but in most cases it was the accuser and not the accused who was "playing politics."

In 1933 an opinion of the Attorney General of Illinois,³ based upon the Illinois Corrupt Practices Act, led to the IERC ruling that a county committee could not incur obligations with any firm in which a member was interested.⁴

County committee members served at the pleasure of the Commission and the lack of a limited term of office sometimes proved to be an administrative handicap. While the Commission did discharge a considerable number of county committee members against whom there was a clear and serious case, there was a proper reluctance thus to indict any citizen in the eyes of his community without strong evidence of misconduct. Committee members who were merely inept or unco-operative often continued indefinitely to impede efficient local administration, whereas the end of an appointed term would have been a diplomatic means of replacing them.

¹Minutes of IERC meeting on October 30, 1933.

²Ibid., July 12, 1935.

³Illinois Attorney General's Opinions, 1933, pp. 614-615. The Attorney General had rendered a similar opinion regarding the Commission itself on February 18, 1932, which resulted in the resignations of two of the original members of the IERC. Evidently it did not immediately occur to the Commission that the same rule might apply to County Emergency Relief Committees. The later opinion was not the result of corrupt practices having occurred. The practical result of the opinion was the loss of valuable members of several of the county committees.

⁴IERC Official Bulletin, No. 127.

The duties of the County Emergency Relief Committee were officially stated as follows: (a) to apply to the county the relief policies and procedures promulgated by the IERC; (b) to establish necessary local regulations; (c) to deal with local controversies relating to relief administration; (d) to employ and direct the county administrative staff; (e) to determine county relief standards; (f) to estimate financial needs and request allocations; (g) to interpret the relief program to the county.¹ The Commission could not legally delegate the responsibility for administration of state relief funds which it had under the statute. County committees were therefore advised that, "The acts of the Committee are the acts of the Commission. It is, therefore, important and essential that the regulations of the Commission be carried out in every respect."²

In practice the county committees were primarily administrative rather than advisory in function. The Commission always regarded them as pre-eminent in the counties, and the committees themselves, naturally enough, coveted as much local autonomy as they could get. At the same time the District Representatives and other staff members were sometimes over-zealous, in their conscientious efforts to obtain what they judged to be compliance with Commission policies and the utmost of local administrative efficiency. The inevitable result was that occasionally the county committee and the IERC administrative staff stalemated each other.

How could this anomaly have been rectified? The Commission could not have taken authority from the administrative staff without impairing its own statutory responsibility. A downstate member of the Commission once suggested that the county committee be eliminated and the County Relief Administrators made responsible to the Commission. It was pointed out in Commission meeting "that such an Administrator could be a person not connected with the county in any way or involved in local issues, that the Commission by this arrangement would have closer control over

¹IERC Official Bulletin, No. 445 (amended).

²Quoted from a form letter used by the IERC to notify new county committee members of their appointment.

administration of relief in counties, and that though the unpaid county emergency relief committee system had operated on the whole satisfactorily, as an emergency set-up, it could not be expected that this system be established on a more or less permanent basis."¹ The Commission declined to take this action. Both the Commission and its staff were convinced of the essential value of the county committees. They could and frequently did promote understanding and combat misunderstanding and opposition with an effect that the employed staff could not possibly achieve. They supplied useful wisdom about the local communities. They were quick to sense and convey to the staff local popular reaction to the various phases of the relief program.

The confusion of authority between the County Emergency Relief Committees and the administrative staff of the Commission could have been minimized by officially restricting the committees to an advisory status. Although the committees were clearly advised that they were governed by IERC regulations, the attempt of the Commission to give them a highly authoritative status was in basic conflict with the exclusive responsibility which the law put upon the Commission. Some of the committees conceived their own authority as more complete than it actually could be. When the judgment of the county committee regarding matters of relief administration in the county conflicted with the judgment of the Commission, the county committee had to be overruled.²

Had the County Emergency Relief Committees been given a definitely advisory function there would have been some difficulty in getting them to maintain an active interest in local relief administration. There is always a danger of advisory committees becoming mere figure-heads. However, there was unquestionably an important service for committees of local citizens to perform in connection with the IERC program. The county relief administrations and the Commission field staff sorely needed and earnestly sought help and advice on local problems. Under the circumstances it probably would have been possible for the IERC to interest public-spirited citizens in service upon strictly

¹Minutes of IERC meeting on February 9, 1934.

²See chap. 111, pp. 109-110.

advisory committees.

Occasionally an entire county committee resigned or was discharged, in which case the Commission could not avoid, for a temporary period, assuming direct charge of the county relief administration. In an official statement in 1935 the Commission announced that where necessary it would use this device, and that it might also, whenever advisable, appoint a single local citizen to serve in lieu of a committee.¹ The latter arrangement was used only a time or two.

The county administrative organization.--Eventually there was developed under each county committee an administrative staff and a new local relief agency thus brought into being. In the beginning, however, the policy was adopted that "the Commission will not on its own account create or establish any relief machinery, but will co-operate through the established relief agencies when such are approved by the Commission."² Accordingly, during approximately the first year of the IERC the county committees had no administrative staffs. In a few localities committee members undertook to give relief themselves, but that practice was early discouraged by the IERC³ and never became widespread. Some county committees appointed local community or township relief committees who either gave relief themselves or got the job done through the township overseer of the poor. The overseer of the poor, acting as an agent of the county committee, administered state relief funds in many places during this early period, doing the whole job in rural areas and often sharing it with existing private agencies which the county committees made use of in the populous centers.⁴

The true local administrative organization of the IERC began to emerge about the time the Federal Emergency Relief Administration was created, and was greatly accelerated under the influence of the federal authority. The FERA issued the important

¹IERC Official Bulletin, No. 445 (amended).

²Minutes of IERC meeting on February 18, 1932.

³IERC publication, Relief Guidance and Control, p. 25.

⁴First Annual Report of the IERC, p. 22.

regulations that relief from federal funds must be administered by public agencies and that competent and adequate personnel for relief administration should be employed in every locality.¹ These regulations, plus the increasing complexity of program and advancing relief standards of the IERC forced the overseers of the poor and the private agencies almost entirely out of the picture and obliged the Commission to forego its original policy of creating no relief machinery of its own.

The county relief organization developed on the pattern shown by Chart I. The county committee employed an executive officer in the person of the County Relief Administrator, who had to be approved by the state office as qualified by training and experience. The county organization was departmentalized to correspond with the set-up in the state office, and adequate staff employed. Among the departments the functions are indicated in Chart I. Basic was the Social Service Department which typically was headed by the county administrator and in which were the case-workers and case aides who maintained client contacts.

The Commission made some use of special advisory committees in the counties, principally in connection with the work relief, rural rehabilitation, and subsistence gardens programs. They were particularly useful as local promoters in the initial stages of these programs but, because they became extraneous to the County Emergency Relief Committee itself, they did not, on the whole, prove permanently useful.

The size of the county staffs of course varied as widely as the county caseloads. In very small counties one employee often was responsible for two or more departments of the program. Combinations of small counties in order to permit a more adequate administrative unit and decreased administrative cost, were suggested in several situations, but was not wholly effected in any case. Except in a few cases where another town was much larger the county office was located at the county seat. Large, populous counties maintained strategic branch offices. In most counties the offices were poorly housed. The IERC obliged the local communities to house the offices and enforced no standards with regard thereto. In 1934 the Executive Secretary was authorized

¹FERA Rules and Regulations No. 3, July 11, 1933. IERC Official Bulletins, Nos. 80 and 83.

to permit payment of local administrative rent "in cases where funds for such rents cannot be secured in any other way."¹ Commission funds had since the middle of 1933 been spent for administrative rents in Cook County.²

When responsibility for relief administration with state funds was given to the local poor law authorities in 1936 the County Emergency Relief Committees were discharged and the county relief organizations disbanded. In many instances, however, the local organization was in large part retained in the service of the poor law authorities. The functions which remained to the IERC did not require a local organization and were handled by a state field staff, expanded to include many local employees.

Cook County

Cook County administrative organization.--In the beginning the IERC found it necessary to extend aid to Cook County in such haste that it had no choice but to accept the administrative organization already functioning there. Chart IV shows the Cook County set-up used by the Commission from early in 1932 until the middle of 1933.

Several years before the Commission was created poor law administration of public relief in Cook County had been supplanted by a modern public assistance agency, the Cook County Bureau of Public Welfare.³ This was the logical agency to take over administration of state relief funds in the metropolitan area but the Bureau was not immediately prepared for the job. Since 1930 the appropriations for this Bureau had been small compared to the voluntarily subscribed emergency relief funds.

Through its Field Service Division in Chicago and its Rural Service Division in the outlying townships the Bureau took responsibility for cases of chronic dependency and also furnished partial material aid to families under care of other agencies.

Unemployment relief was the job of the Unemployment Relief Service, an emergency organization which had just been set

¹Minutes of IERC meeting on August 10, 1934.

²Ibid., June 26, 1933.

³Laws of Illinois, 1925, pp. 264-266.

up in the autumn of 1931 by the Joint Emergency Relief Fund.¹ In the winter of 1930-31 the proceeds of the emergency fund campaign had been administered by the private family service agencies (see Chart IV). As the next winter approached the wise course seemed to be to let the established agencies return to their normal function and create emergency machinery to carry the unemployment overload. This new agency was first called the Joint Emergency Relief Service and later the Unemployment Relief Service. The IERC favored expenditure of state funds by public agencies² and therefore, early in 1932, the Unemployment Relief Service was taken over into the Cook County Bureau of Public Welfare. The URS retained its identity there, however, and in December, 1933, when a Cook County Relief Administrator was first appointed by the IERC,³ was taken out of the Cook County Bureau of Public Welfare again and made an IERC agency under the Cook County Relief Administrator.⁴ Then, in August, 1935, the Unemployment Relief Service was merged with the Field Service of the Cook County Bureau of Public Welfare and became the Family Service Division of the Cook County Relief Administration⁵ (see Chart V).

Under the IERC the Cook County Bureau of Public Welfare and the Unemployment Relief Service always carried the great bulk of the unemployment relief load. However, when the Commission

¹See chap. 1, p. 14.

²On February 25, 1932, the Commission formally appointed the Cook County Bureau of Public Welfare as one of its agents, with the plan that the Bureau "shall assume administrative responsibility for complete relief to families in Cook County in need because of unemployment and for whose benefit state relief funds are expended" (Minutes of IERC meeting on February 25, 1932).

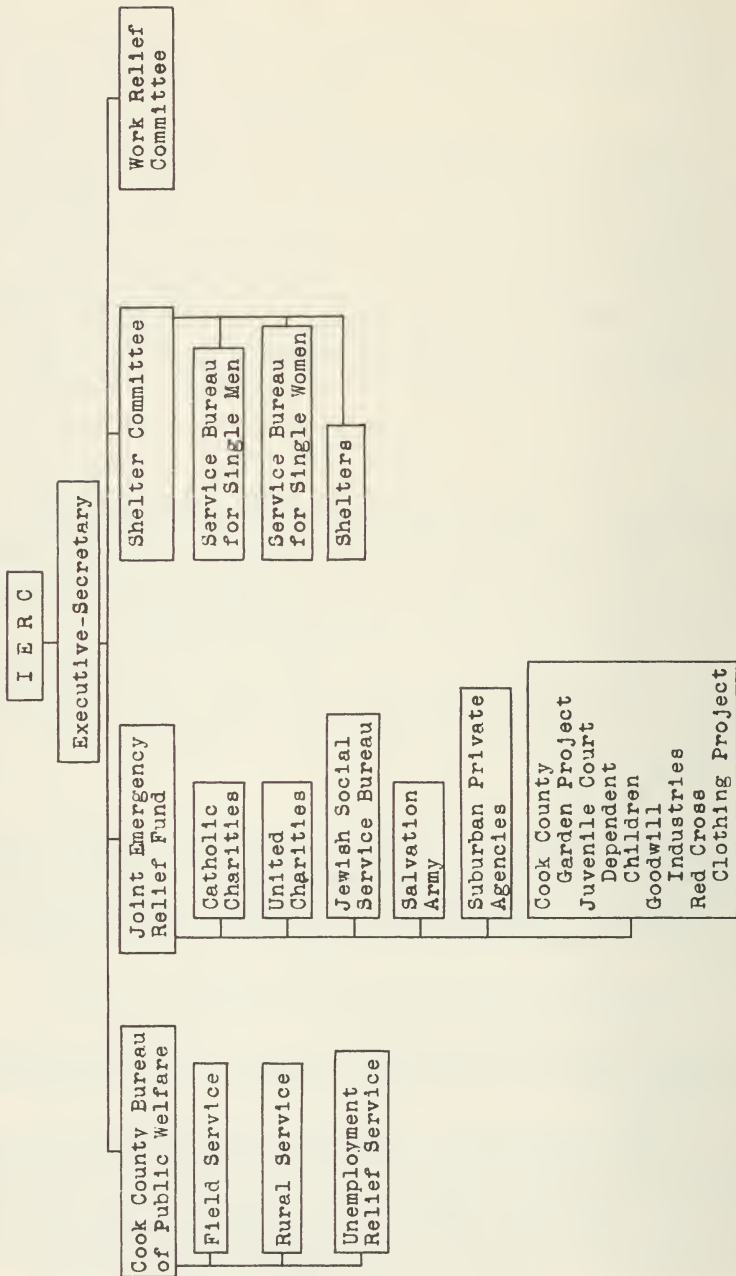
³Minutes of IERC meeting on December 8, 1933.

⁴"Handbook for Caseaides" (prepared and mimeographed by the URS), section on History and Purpose of the Unemployment Relief Service.

⁵Biennial Report of the IERC, covering the period July 1, 1934 through June 30, 1936, p. 13. Although it was a logical administrative step to place all public relief administration under the county-wide agency, the arrangement was detrimental in that the other social services for which the Bureau was responsible suffered as a result of concentrating the energies and resources of that agency on unemployment relief.

CHART IV

COOK COUNTY ORGANIZATION, 1932

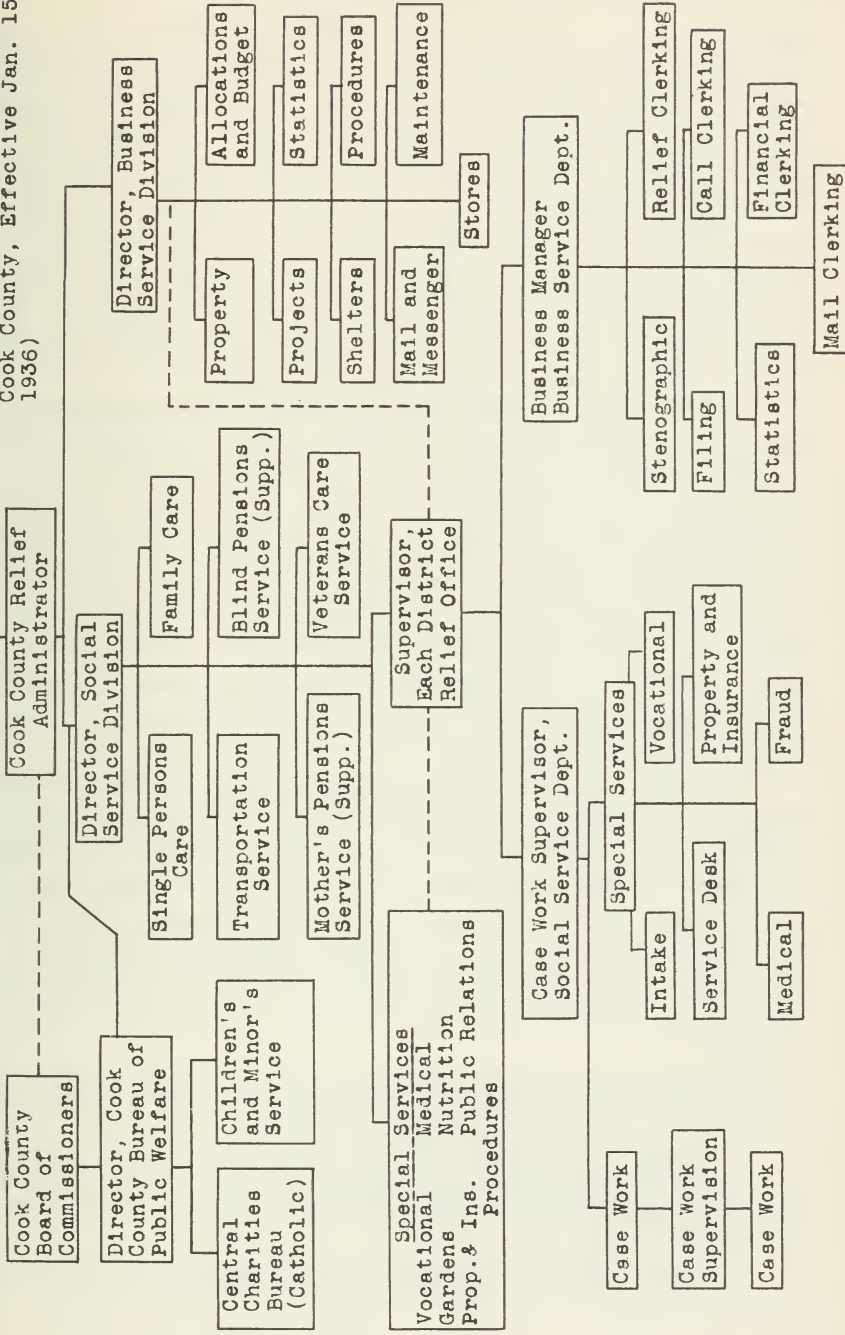


COOK COUNTY 1936
RELIEF ADMINISTRATION

I E R C

CHART V

(Adapted from Basic Organization
Chart, Relief Administration
Cook County, Effective Jan. 15,
1936)



began in February, 1932, the Joint Emergency Relief Fund in Cook County was still spending some of its funds through the private family service agencies of Chicago and its suburbs. At first, therefore, a part of the IERC allocations went through the Joint Emergency Relief Fund, as a sub-allocating agency, to these private agencies (see Chart IV). This continued until the FERA ruling of July, 1933, that funds allocated by it must be spent through public agencies resulted in discontinuance of allocations to private agencies in Cook County. With the exception of the Central Charity Bureau¹ no private agency administered state or federal relief funds in Cook County thereafter.

The Joint Emergency Relief Fund had established separate emergency units in Chicago for administration of indoor relief to unattached persons and to administer work relief. Each of them was under the direction of a voluntary citizen's committee. The work relief service got its clientele exclusively by referral from the family agencies. The IERC at once began to make allocations to these two committees and they became in fact public agencies under the Commission (see Chart IV). Eventually the shelter service was absorbed in the Cook County Relief Administration and the work relief service was discontinued with the coming of WPA (see Chart V).

The Cook County Relief Administration as shown in Chart V was the final result of more or less constant shifting during the nearly four and one-half years of relief administration by the IERC. It came to an end on July 1, 1936. At that juncture the machinery was taken over, more or less intact, by the Chicago City Council,² and became the Chicago Relief Administration, under the direction of the Commissioner of Relief for the City of Chicago.³

¹The family service section of the Catholic Charities. For further discussion of this matter see chap. iii, pp. 105-111.

²Under the statute the City of Chicago became responsible for relief administration (an amendment to the Illinois Pauper Act). Laws of Illinois, 1936, 2d Special Sess., 59th General Assembly, pp. 73-78.

³The CRA was independent of the IERC and is therefore not discussed here.

The internal organization in Cook County, as shown under the Social Service and Business Service Divisions in Chart V, was much the same throughout the period of state relief administration. The district office supervisor, a trained and experienced social worker, was the chief district executive. Through that executive the Business Service Division and the Special Service units in the headquarters office, worked closely with their corresponding parts in each district organization. The district offices, of which there were from fifteen to twenty, had staffs averaging from two hundred and fifty to three hundred persons and average caseloads of about four thousand.¹

The IERC relationship to Cook County.--The relationship of Cook County to the state administration was unique. That the basic administrative policies of the IERC did not always apply equally to all counties is illustrated by the fact that giving relief in cash was authorized for Cook County² three months before being permitted in the other counties.³ However, administrative policy and procedure for the most part, and operating procedure quite consistently, had equal effect in all counties and gave the IERC program essential statewide uniformity.

It was in the realm of administrative relationship to the state office and field service that Cook County was unique; despite some efforts to have it otherwise Cook County remained essentially a separate division of the state organization, as shown in Chart I. The IERC field service was an indispensable link between the state office and the downstate counties, but Cook County, dealing directly, had no relations with the field service. To a certain extent it also by-passed the line organization at IERC headquarters and dealt directly with the Executive Secretary who, a part of the time, was also Cook County Relief Administrator.

When the two administrative divisions were set up in the state office (Chart II) it was intended that each of them should have statewide scope. In the Relief Division the separate

¹Interview with Mrs. E. J. Lewis, former Director of the URS.

²Minutes of IERC meeting on November 8, 1935.

³Ibid., February 7, 1936.

channels were so deeply cut and the entire organization so habituated to them that administrative integration of Cook County was almost wholly unsuccessful. With respect to the program of the Work and Rehabilitation Division organization habits were less deeply set and the integration of Cook County consequently more successful. Complete administrative integration of Cook County was most nearly accomplished with respect to the operations in the Finance Division, including accounting and statistics. Subsequent to July 1, 1936, with IERC administrative responsibility limited to certification of eligibles for WPA and other federal programs, the new Division of Certification and Service (see Chart III) finally brought Cook County and Chicago largely within a common pattern of relationship to the state office.

On the part of the Commission itself history, physical proximity and the great importance of the metropolitan relief problem, combined to produce an especially close relationship with Cook County, which was represented in its meetings and on its agenda to a far greater extent than any other county could possibly be. The Commission never appointed a County Emergency Relief Committee for Cook, although it did discuss the matter.¹ Cook County had, like no other county, a statutory County Bureau of Public Welfare² to which the Commission could and did turn as a logical and competent local public agency. In a sense the Cook County Board of Commissioners and its advisory citizen's committee for the County Department of Public Welfare, took the place of a Cook County Emergency Relief Committee.

Conclusion

At the height of its operations the IERC spent almost \$130,000,000 in a year³ and employed more than ten thousand persons at one time.⁴ In respect to size the program of the

¹Minutes of IERC meeting on November 10, 1933.

²Laws of Illinois, 1925, pp. 264-266.

³Total obligations incurred for year ending June 30, 1935: \$129,506,138.15.

⁴October, 1934; April and May, 1935.

Commission came to approximate all the rest of the state government combined. The program of the IERC at one time directly affected the life of one out of every seven persons in the state.¹

The building and operating of the administrative machine that executed this enormous task was influenced by the following factors beyond the control of the IERC:

1. Neither the statute² nor any direct precedent furnished a guide for administrative organization.
2. The emergency nature of the task required a maximum of speed in action and permitted a minimum of deliberate planning.
3. Limited life of the IERC,³ hand-to-mouth financing,⁴ and frequent changes in federal program,⁵ dissipated the energy of the organization and precluded long-time planning.
4. Some parts of the set-up were dictated by the FERA,⁶ for which reason the IERC did not have complete control over the form of the organization.
5. Public opinion exerted pressure upon cost and method

¹The monthly average number of persons receiving relief for the year ended June 30, 1935, was 1,110,050. The population of Illinois in 1934 was estimated by the United States Bureau of the Census at 7,876,000.

²Laws of Illinois, 3d Special Session, 57th General Assembly, pp. 191-192.

³Under the original creative statute the IERC was to exist only from February, 1932, until March 1, 1933 (*ibid.*); in October, 1932, it was extended to July 1, 1933 (*ibid.*, 1932, 4th Special Session, 57th General Assembly, p. 2); in June, 1933, it was further extended to August 1, 1935 (*ibid.*, 1933, p. 207); in July, 1935, it was further extended to March 1, 1937 (*ibid.*, 1935, p. 256); in February, 1936, with intention to abolish the IERC, its end was set for May 1, 1936, instead of March 1, 1937 (*ibid.*, 1936, 2d Special Session, 59th General Assembly, pp. 23-24); in April, 1936, it was extended again to July 1, 1936 and, with its function curtailed, beyond that to March 1, 1937 (*ibid.*, pp. 27-29); in December, 1936, it was further extended to June 1, 1937 (*ibid.*, pp. 16-19); in April, 1937, it was extended to July 1, 1937 (*ibid.*, 1937, pp. 271-274); in June, 1937, it was further extended to July 1, 1939 (*ibid.*, pp. 275-278).

⁴See chap. v.

⁵See Second Annual Report of the IERC, p. 10.

⁶*Ibid.*, pp. 10 and 19.

of administration to a degree not ordinarily felt by other public services.

6. The size and complexity of the Chicago metropolitan area always required unique consideration from the state organization.

The administrative organization of the IERC was far from perfect. However, in view of the size of its task and the circumstances under which it worked, it is perhaps remarkable that its faults were not more serious.

Illinois, like most states, was, from the viewpoint of administrative machinery, wholly unprepared for the large public assistance function which the depression forced upon it. Its relief machine was the Elizabethan model of the year 1601. The IERC, buttressed by the FERA, wisely refused to entrust administration of state and federal funds to the township overseers of the poor, and was therefore obliged hurriedly to construct in every county except Cook competent machinery of its own. What was sorely needed in 1932, and no less in 1939, was a statewide system of county departments of public welfare, encompassing all public assistance services and integrated with the State Department of Public Welfare.

CHAPTER III

PERSONNEL ADMINISTRATION OF THE IERC

Due to the unstable conditions under which the IERC operated for its first seven years it was virtually impossible to develop and maintain a well-rounded program of personnel administration. Personnel was however an extremely important matter in an organization with the size and function of the IERC, and it was given very considerable attention.

Personnel Machinery

The IERC and the State Civil Service.--The employees of the IERC were not taken into the Illinois State Civil Service. Early in 1932, when operations were just beginning, the Commission asked the Secretary of the State Civil Service Commission for advice regarding the application of the state civil service law to IERC employees. That official gave his opinion that employees of the Commission were not included in the classified Civil Service of the State.¹ Thenceforward the IERC remained outside the civil service law and the question was not raised again until three years later.

Early in 1935 the State Director of Finance, an ex officio member of the Commission, suggested that the IERC should conform with the civil service law. The Executive Secretary thereupon requested an opinion on the matter from the Attorney General of Illinois. In reply the Attorney General concluded "that the employees of the IERC should be classified under the Civil Service Law of the State of Illinois and that such employees are included within the purview of said Civil Service

¹Minutes of IERC meeting on February 18, 1932. Also letter from the Secretary of the Illinois Civil Service Commission to the Executive Secretary of the IERC, March 7, 1932 (files of the IERC).

Act."¹

Upon receipt of this opinion the Executive Secretary of the Commission raised with the Chairman the question as to whether it is "the duty and responsibility of the Commission (in view of the earlier advice from the Secretary of the State Civil Service Commission) to see to it that such classification is made by the State Civil Service Commission, or shall the Commission rely upon the State Civil Service Commission to take the initiative?" The Chairman of the IERC decided that action should be initiated by the "state offices."² There the matter was dropped and evidently the question was not raised again.

In view of the fact that the IERC consistently adhered to the merit principle in all personnel practices the relief service suffered no loss by being independent of the state civil service law. In fact by being free the Commission was able to adjust its organization to emergency needs and changing programs with greater dispatch than would have been likely under formal civil service. There is, however, no guarantee that voluntary adherence to merit principles will be permanent in any public service. In fact that seldom happens. Therefore, in order to increase the likelihood of permanent protection every public relief program should be brought under statutory civil service.

IERC personnel machinery.--Nearly three years passed before the IERC for the first time co-ordinated its personnel functions in a personnel department.³ Prior to that time the personnel function was divided and scattered. In the state office executive officers, under supervision of the Executive Secretary, handled their own personnel matters, although the purchasing Department did co-ordinate certain employment work,⁴ principally

¹Letter from the Attorney General of Illinois to the Executive Secretary of the IERC, April 3, 1935 (files of the IERC).

²Exchange of memoranda between the Executive Secretary and Chairman of the IERC, May 8 and 9, 1935 (files of the IERC).

³On December 31, 1934, the Executive Secretary commissioned a personnel expert to study the personnel administration of the IERC and make recommendations. A personnel department in the state office was recommended and on January 21, 1935, the Executive Secretary ordered it established. The new department served jointly for the IERC and the Cook County Relief Administration (personnel files of the IERC).

⁴First Annual Report of the IERC, p. 19.

for clerical positions. The Social Service Department in the state office early took on the function of supervising induction of social work personnel in the counties outside of Cook. County Emergency Relief Committees were largely in control of the local personnel but were early subjected to state regulations on important aspects of personnel administration, such as qualifications and salary rates.

In Cook County a highly competent service for selection of public relief personnel was developed under the Cook County Bureau of Public Welfare. In February, 1932, at the request of the Director of the Bureau, the Advisory Board of the Bureau appointed a Committee on Personnel with the duty of developing a competitive merit program for all appointments to the public relief service in Cook County.

A group of personnel experts from business and social service organizations were enlisted to serve on a subcommittee known as the Committee on Selection of Personnel. This group carefully studied induction procedures of various personnel agencies, including the United States Civil Service Commission, and developed a competent system of qualification standards, application procedures, examinations, tests, interviews and grades for all classifications in the public relief service. The committee itself took a very active part in applying the new procedures.

This voluntary development of a competent system of merit appointments was quite remarkable. The public relief service in Cook County was thus given an unofficial civil service which probably compared very favorably with most statutory civil service systems. Out of the development came the personnel Bureau of the Cook County Bureau of Public Welfare and also, in large measure, the IERC Department of Personnel.¹

Early in 1935 the IERC Department of Personnel absorbed the scattered personnel functions just mentioned. It also absorbed on its staff the persons who had been in charge of personnel work under the Cook County Bureau of Public Welfare and

¹"Personnel Administration of the IERC," p. 4 and Appendix No. 4 (mimeographed by the IERC, April 17, 1936). This record of the personnel work of the IERC, which has been liberally consulted in the present treatment of the subject, was prepared by Mrs. Sigrid W. Eliot of the Department of Personnel of the IERC.

the IERC Department of Social Service. Later in 1935 the Works Progress Administration was established in Illinois and the Director of the IERC Department of Personnel was concurrently employed in corresponding capacity by WPA. This approximated a merging of the personnel functions of the two organizations and greatly facilitated extensive transfer of personnel from the contracting IERC to the expanding WPA. This joint personnel service was unsuccessful in its logical effort to bring the IERC payroll schedule into alignment with that of the WPA.¹

After the IERC was relieved of responsibility for relief administration on July 1, 1936, and the consequent radical shrinkage in its organization and payroll, the joint personnel service for IERC and WPA was discontinued.² In July, 1937, the personnel function of the IERC was lodged in the Payroll Department of the Division of Auditing and Accounting and separated from the personnel service of the Chicago Relief Administration.³ In 1938 a joint personnel department for the IERC and the Chicago Relief Administration was again established and as of January 1, 1939, formal personnel administration was increasing its importance in the IERC organization.

Movement of Personnel

Appointment, promotion, and separation.--In the beginning the Commission filled several important executive positions with persons loaned by other agencies and in certain counties, including Cook, which first received IERC allocations made blanket transfers to its own payroll of personnel in going relief agencies. As time went on procedures governing recruitment, induction, reclassification, transfer, promotion and separation were more or less

¹Biennial Report of the IERC, covering the period of July 1, 1934, through June 30, 1936, p. 15.

²The old personnel records of the IERC were, however, still in the files of the WPA on January 1, 1939.

³Administrative Order of the Executive Secretary, dated July 9, 1937, in the files of the IERC. From the time the Personnel Department of the IERC was established in 1935 it had served jointly for the Cook County Relief Administration and later the Chicago Relief Administration.

fortuitously developed. The Bureau of Personnel in the Cook County Bureau of Public Welfare developed for that county procedures governing personnel movement¹ more thorough than those of any other branch of the IERC organization. Applicants for clerical positions were investigated, tested, graded and classified by the Personnel Bureau, and requisitions for personnel were filled from its lists. Applicants for social work positions were investigated and referred to an expert Committee on Selection of Professional Personnel which interviewed, graded and classified them.

In the headquarters office each division head submitted personnel requisitions to the Executive-Secretary who, if approving, forwarded them to the Business Manager (head of the Purchasing Department). That officer had a file of available clerical personnel qualified mostly by his own personal "size-up," from which referrals were made to fill the requisitions. It was general practice, especially for non-clerical positions, for the executive who originated the requisition to recommend someone, and the person thus recommended usually was employed. The division heads developed their own sources of recruitment as best they could.² Promotion or salary increase was accomplished through recommendation by the division head to the Executive Secretary.

For counties other than Cook the County Emergency Relief Committee was "responsible for the employment of and changes in the paid staff."³ Thus the non-social work personnel for the counties was recruited and appointed locally with whatever qualifying procedure the county committee chose to employ. The Social Service Department of the state office very early set up qualifying standards applicable to all social work personnel in the counties and in June, 1932, assigned a well qualified person to assist the county administrations with induction of employees competent to do social work. The work of family visiting in downstate counties was done almost entirely by case aides⁴ who

¹"Personnel Administration of the IERC," Appendix No. 6.

²Study of IERC personnel made for the Executive Secretary, dated January 21, 1935 (in the files of the IERC).

³IERC Official Bulletin, No. 445.

⁴The term "case aide" came into being at the start of the

were recruited, without significant exception, in the respective counties. The county administrators and supervising case workers were oftener than not recruited from outside the county, and most commonly from Cook County. Table 2 shows in detail the source of recruitment of employees of this type who were working for the Commission in a sample month for which figures happened to be available. In the earlier days of the IERC an even smaller proportion of such employees than shown in Table 2 was recruited from downstate.

From the beginning it was the policy of the IERC and the county committees to recruit social work personnel locally when qualified candidates could be found. There was an informal procedure by which the county administrations requisitioned social work personnel from the State Department of Social Service and, in many instances, recommended local candidates to fill the requisitions. In the absence of local qualified candidates the county committee might choose from among several referrals from the state department. The qualifying procedure of the Social Service Department consisted of study of the work and training record, investigation and interview.

Appointments by the County Emergency Relief Committee to certain non-social work positions were also subject to qualifications set by the state office. For example, the Work Relief Superintendent and the Accounting Supervisor for the county were subject to approval by the proper state division or department, which examined the work record and, through its field representatives, interviewed the candidate.

The payroll procedure of the IERC included from the beginning a uniform "Notice of Change in Payroll" form, without which, properly executed, no appointment, separation or change

emergency relief period. It was invented to designate a semi-professional function performed by persons without professional qualifications whom it was necessary to employ to assist in the case work process. The term was first adopted in Chicago in the summer of 1931, at the suggestion of Mrs. E. M. Lewis, when plans were being laid for the special new agency to administer private emergency relief funds which became known as the Joint Emergency Relief Service. This was, if not the first, one of the very earliest uses of this new personnel classification. Since that time the case aid classification has become generally used in public relief programs in the United States.

TABLE 2

SOURCE OF RECRUITMENT OF PERSONS EMPLOYED IN PROFESSIONAL SOCIAL WORK POSITIONS BY THE IERC IN JANUARY, 1935, IN COUNTIES EXCLUSIVE OF COOK^a

Source of Recruitment	Total Admin-istrators And Super-visors	With Professional Training ^b		Without Professional Training	
		County Admin-istrators	Case Work Super-visors	County Admin-istrators	Case Work Super-visors
Total	210	57	40	38	75
Cook County	111	34	22	31	24
Public agencies	90	26	14	28	22
Private agencies	13	6	2	3	2
Social work schools	8	2	6	0	0
Downstate	90	19	15	6	50
Public agencies ^c	60	10	7	4	39
Private agencies	30	9	8	2	11
Outside Illinois ^d	9	4	3	1	1

^aFrom analysis made by the former Assistant Director, IERC State Department of Social Service; in personnel files of the IERC. Data include persons employed as County Relief Administrators, Senior and Junior Case Workers.

^bPersons with at least one quarter of work in a School of Social Work or equivalent in supervised experience.

^cRepresents promotions within the IERC staff.

^dIllinois residents living outside the state.

in status of any employee of the Commission could be made effective on the payroll.¹ In each instance the Payroll Department was bound to insist upon the proper executive approvals on this form, which gave an overall control of personnel movement throughout the organization.² Promotions, reclassifications,

¹IERC Official Bulletins, Nos. 50, 147, 226, 541.

²For example, a 302-A Form affecting a social work employee in a downstate county to become effective required approval

and dismissals originated with the unit where the employee was and according to the judgment of the responsible executive, but in each case the change in payroll form was routed exactly as in the case of an appointment.

The preceding account of IERC practice relative to movement in personnel describes the procedures in effect until early in 1935 when the central Personnel Department was created. Among other purposes this department was intended to create for the entire organization uniform programs of open registration, productive recruitment, effective testing, efficient placement, systematic promotion and a fair procedure for separations. The new department never had a fair chance. Before it had time to become thoroughly effective there came the WPA program, the withdrawal of federal funds for direct relief and the relinquishment of administrative responsibility by the IERC. After July 1, 1936, the need for reorganizing the personnel service became less pressing and the effort subsided, to be renewed in 1938.

Thus, up to January 1, 1939, control of changes in, as well as other aspects of, personnel in the IERC was primarily a scattered and incidental function of the line organization. The reason clearly lay in the relentless change and insecurity which characterized the work of the IERC throughout the period.

Standard Personnel Plan.--Control of the total number of employees in the relief offices was accomplished by a device called the Standard Personnel Plan. This was a device for determining how many employees in each classification a relief office needed, based upon the case load and other measures of volume of work. It furnished a standard by which each office could pattern its own set-up and a maximum above which the state administration might allow no local office to go. Such a device applicable to the district offices in Chicago was adopted early in 1934¹ and to the remaining 101 counties of the state early in 1935.² Revision of the plan became necessary in September, 1935, after the IERC

of county committee chairman, District Representative, State Director of Social Service and Associate Executive Secretary. The District Representative could take responsibility for immediate provisional approval in emergencies.

¹Minutes of IERC meeting on March 2, 1934.

²IERC Official Bulletin, No. 453 (February 14, 1935).

work relief program was discontinued.¹

The provision for case work personnel in these plans is of particular interest. In Cook County the allowance for the Unemployment Relief Service was one supervising case worker, one case aide to the supervising case worker, and six field case workers for each unit of 600 cases on relief. For the Cook County Bureau of Public Welfare, "because of the more complicated cases served," the allowance differed in that eight instead of six field case workers were provided for.² Personnel for intake service and special services was allowed in addition. For the downstate counties the Standard Personnel Plan allowed:

- 1 case work supervisor for 12 case workers
- 1 family visitor (case worker or case aide) for 125 cases
- 1 intake service worker for 1,000 cases
- 1 medical worker for 1,250 cases

Other special service workers were allowed according to executive judgment for each county.³

There was no logical reason for the more liberal allowance of case work personnel in Cook County; it was basically due to the fact that this community had been accustomed to higher standards of case work service. Application of the standard personnel plan was difficult in a number of small downstate counties which never had a case load large enough to justify the minimum set-up of specialized staff. There was a committee of state office executives empowered to hear and act upon requests from counties that found it difficult to operate under the approved staff standard.⁴ Since the staff standards were based principally on the case load, which was quite unstable, and each county had monthly to bring its staff in conformity with the standard, there resulted some detrimental instability of staff. The unavoidable fluctuation in the volume of work was a constant impediment to administrative efficiency.⁵

¹IERC Official Bulletin, No. 557 (September 27, 1935).

²Minutes of IERC meeting on March 2, 1934.

³IERC Official Bulletin, No. 453.

⁴"Personnel Administration of the IERC," p. 6.

⁵For the state as a whole the fluctuation was more or less predictable on a seasonal basis but for individual communities reliable prediction was impossible.

TABLE 3

NUMBER OF SOCIAL WORK EMPLOYEES AND RELIEF CASES, AND RATIO OF CASES TO EMPLOYEES,
BY COUNTY, FOR JUNE OF EACH YEAR: 1934 THROUGH 1936a

County	June, 1934				June, 1935				June, 1936			
	Social Work Employees	Relief Cases	Cases Per Employee	Social Work Employees	Relief Cases	Cases Per Employee	Social Work Employees	Relief Cases	Social Work Employees	Relief Cases	Cases Per Employee	
Total	3,515	221,367	80	3,748	283,247	76	1,996	145,299			73	
Adams.....	17	3,197	188	37	3,261	88	14	826			59	
Alexander..	25	3,466	139	26	2,318	89	12	1,221			102	
Bond.....	7	894	128	9	685	76	2	198			99	
Boone.....	4	642	160	5	370	74	4	139			35	
Brown.....	(b)	273	(b)	4	330	82	2	78			39	
Bureau....	1	969	969	10	797	80	2	122			61	
Calhoun...	(b)	176	(b)	2	288	144	2	108			54	
Carroll...	1	341	341	2	241	120	2	54			27	
Cass.....	7	906	129	11	1,161	106	4	890			222	
Champaign.	17	1,975	116	18	1,701	94	7	560			80	
Christian..	13	2,222	171	16	1,676	105	9	783			67	
Clark.....	5	539	108	4	532	133	4	254			64	
Clay.....	3	487	162	4	513	128	4	343			86	
Clinton...	3	457	152	4	515	129	2	154			77	
Coles.....	14	1,651	118	17	2,081	122	11	1,234			112	
Cook.....	2,428	125,418	52	2,354	147,682	63	1,328	89,884			68	
Crawford..	3	382	127	4	427	107	2	201			100	
Cumberland	4	554	138	3	412	137	2	226			113	
DeKalb....	5	893	179	9	671	75	3	230			77	
DeWitt....	6	896	149	7	654	93	4	367			92	
Douglas...	7	905	129	6	743	124	3	326			109	
DuPage....	12	3,117	260	25	2,639	106	12	891			74	
Edgar.....	6	707	118	7	571	81	4	228			57	
Edwards...	5	473	95	5	379	76	3	171			57	

Effingham.	3	684	228	3	400	133	3	225	75
Fayette...	6	1,266	211	9	966	107	5	369	74
Ford.....	3	234	78	2	109	54	(b)	25	(b)
Franklin..	17,	3,834	226	38	4,291	113	23	2,256	98
Fullton...	13	2,324	179	20	2,002	100	7	2,641	92
Gallatin..	7	783	112	7	642	92	4	292	73
Greene....	3	813	271	7	1,023	146	5	350	70
Grundy....	3	338	113	2	256	128	2	63	32
Hamilton..	3	375	125	4	366	92	3	144	48
Hancock...	4	779	195	6	767	128	3	233	78
Hardin....	4	419	105	5	556	111	4	237	59
Henderson.	3	368	123	3	299	100	3	106	35
Henry.....	10	1,870	187	12	898	75	3	175	58
Iroquois..	7	856	122	7	395	56	3	106	35
Jackson...	15	1,832	122	19	2,083	110	9	804	89
Jasper....	2	368	184	(b)	172	(b)	1	104	104
Jefferson.	8	1,262	158	14	1,522	109	7	929	133
Jersey....	1	265	265	4	344	86	2	50	25
Jo Daviess	2	589	294	6	524	87	4	210	52
Johnson...	7	681	97	7	543	78	4	185	46
Kane.....	31	5,146	166	37	3,503	89	15	778	52
Kankakee..	15	2,220	148	17	1,447	85	6	140	23
Kendall...	1	375	375	2	134	67	1	21	21
Knox.....	11,	3,021	275	20	1,558	78	7	413	59
Lake.....	26	3,238	125	26	2,750	106	19	1,081	57
LaSalle...	25	4,065	163	36	2,998	83	16	919	57
Lawrence..	5	612	122	5	585	117	2	158	79
Lee.....	5	892	178	7	333	48	3	129	43
Livingston	7	1,268	181	6	601	100	2	163	82
Logan.....	6	847	141	6	752	125	4	480	120
McDonough.	5	825	165	9	809	90	2	104	52
McHenry...	5	1,007	201	6	432	72	2	128	64
McLean....	19	3,247	171	30	2,800	93	14	786	56
Macon.....	35	3,794	108	43	3,870	90	16	1,111	69
Macoupin..	15	2,689	179	26	3,216	124	10	1,042	104
Madison...	59	7,115	121	74	6,046	82	30	3,157	105
Marion....	14	2,559	183	19	2,334	123	10	1,130	113
Marshall..	2	486	243	3	2,263	88	1	67	67

TABLE 3--CONTINUED

County	June, 1934				June, 1935				June, 1936			
	Social Work Employees	Relief Cases	Cases Per Employee	Social Work Employees	Relief Cases	Cases Per Employee	Social Work Employees	Relief Cases	Social Work Employees	Relief Cases	Cases Per Employee	
Mason.....	3	463	154	4	334	84	1	200	1	200	200	
Massac....	1	783	783	9	867	96	5	442	5	442	88	
Menard....	1	262	262	3	234	78	1	132	1	132	132	
Mercer....	2	466	233	4	461	115	2	165	2	165	82	
Monroe....	1	140	140	2	137	68	1	98	1	98	98	
Montgomery	17	2,282	134	20	1,928	96	9	766	9	766	85	
Morgan....	7	960	137	12	1,395	116	7	741	7	741	106	
Moutrie..	6	422	70	4	306	76	3	167	3	167	56	
Ogle.....	4	835	209	6	379	63	2	73	2	73	36	
Peoria....	26	3,730	143	40	2,919	73	21	2,461	21	2,461	117	
Perry.....	9	1,430	159	15	1,542	103	8	701	8	701	88	
Piatt.....	7	568	81	5	428	86	4	215	4	215	54	
Pike.....	(b)	532	(b)	8	882	110	3	263	3	263	88	
Pope.....	4	414	104	4	420	105	3	202	3	202	67	
Pulaski...	7	951	136	8	762	95	7	517	7	517	74	
Putnam...	2	533	266	3	316	105	1	191	1	191	191	
Randolph..	7	840	120	10	1,015	102	5	494	5	494	99	
Richland..	4	438	110	4	371	93	2	241	2	241	120	
Rock												
Island..	19	3,319	175	24	1,770	74	7	486	7	486	69	
St. Clair.	84	9,194	109	97	9,236	95	35	3,604	35	3,604	103	
Saline....	23	3,247	141	25	2,755	110	9	951	9	951	106	
Sangamon..	20	3,399	170	25	3,309	132	22	1,394	22	1,394	63	
Schuyler..	3	225	75	4	429	107	2	100	2	100	50	
Scott.....	1	299	299	4	557	139	3	295	3	295	98	
Shelby....	7	987	141	8	1,065	132	4	511	4	511	128	
Stark.....	4	614	154	2	148	74	1	55	1	55	55	

Stephenson	5	874	175	6	981	164	4	575	144
Tazewell..	10	1,360	136	16	1,308	82	5	251	50
Union.....	4	465	116	9	603	67	6	336	56
Vermillion.	37	3,892	105	38	3,615	95	14	1,178	84
Wabash....	4	612	153	7	612	87	4	210	52
Warren....	3	742	247	5	406	81	2	217	108
Washington	1	252	252	2	288	144	1	52	52
Wayne.....	3	558	186	5	429	86	3	404	135
White.....	6	612	102	5	492	98	3	263	88
Whiteside.	6	1,158	193	10	656	66	3	261	87
Will.....	31	4,519	146	36	3,840	109	22	1,723	78
Williamson	78	6,341	81	56	6,190	112	32	3,104	97
Winnbago.	54	7,362	136	64	6,584	103	30	2,441	81
Woodford..	4	401	100	3	152	51	2	20	10

^aThe ratio is not equivalent to a family visitor case load.

^bNo social work employees on the staff.

Amount of personnel.--Table 3 reveals a wide discrepancy, as between different counties in the same month and as between different years in the same county, in the ratio of relief cases to the number of social work employees.¹ It reflects an improving adequacy of social work personnel. Between June, 1934, and June, 1936, the ratio declined slightly for the state as a whole; for Cook County it inclined somewhat and for all counties combined, excluding Cook, it declined markedly. In June, 1934, the local relief machinery of the IERC was just beginning to be fully developed; a standard personnel control plan was in effect for Cook County only. In June, 1935, the IERC organization was at its girth just prior to the expansion of WPA; a standard personnel control plan was in effect throughout the state. In June, 1936, the state relief organization had been greatly contracted by transfer of cases to WPA and was on the verge of being eliminated by statute. Thus Table 3 illustrates the effect of basic functional instability upon personnel movement.

The Commission itself was very watchful of administrative cost in general² and personnel costs in particular. This was due in the main to the praiseworthy diligence with which the Commission discharged its responsibility but in part also to constant public criticism of the personnel costs of relief administration. The executive staff of the IERC was at all times under pressure to hold down not only the number of employees but salaries as well. The instability of the relief program made difficult the most effective use of the staff there was but aside from that the total number of social work personnel was insufficient for a case work program worthy of the name. More adequate personnel probably would have meant economy both of funds and human resources. The quantity of social work personnel did not, however, compare unfavorably with public emergency relief administrations elsewhere in the United States.³

¹The ratio of relief cases to social work personnel is not equivalent to an average case load per visitor because all social work employees not doing family visiting are included in the computation.

²For further discussion of administrative costs see chap. v, pp. 208-223.

³The New Jersey Emergency Relief Administration, for example, allowed 10 family visitors to every 1,000 families aided. (Seven Years of Unemployment Relief in New Jersey, 1930-1936, by D. H. MacNeill, p. 265.)

Turnover in the IERC staff, always very high, was reported as 62 per cent for the year 1935.¹ Table 4 shows the total number of employees of the IERC (exclusive of administrative work relief) together with the total salaries paid and average salary rate, for each month of operation prior to January, 1939. It will be noted that there was an almost uninterrupted increase in total employees up to a peak of 10,248 in April, 1935. At that juncture came the introduction of the WPA program. The sharp fall after June, 1936, reflects the return of relief responsibility to the local governments.

Qualifications of Personnel

Application of the merit principle.--The personnel of the IERC was selected on a merit basis. The lack of uniform and thorough personnel procedures, already noted, meant that merit was variously, and perhaps sometimes inadequately, defined; and the same was true of procedures for testing merit. But instances in which ability to do the job was not the primary consideration in employment were rare. As a large public organization the IERC was remarkably free from nepotism and partisan politics in personnel selection.

In the Cook County organization the Personnel Bureau of the County Bureau of Public Welfare developed a thorough system of eligibility standards for the several positions in the service.² The merits of individual candidates were determined by examination. Considerable attention was also given to a standard merit basis for promotion for the social work personnel in Cook

¹Biennial Report of the IERC, for the period of July 1, 1934, through June 30, 1936, p. 15.

²For example, eligibility for the position of case worker was stated as follows: "(a) Any person qualifying for membership in the American Association of Social Workers; or (b) Candidates who have had one quarter of supervised field work in the casework field, provided they are properly endorsed and recommended by the person in charge of supervision of field work at the particular school they attended; (c) Persons who do not qualify in the above two classifications but who have been engaged in social casework, at full time, for over a year, may, upon the written recommendation of the social agency for which they have been working, qualify for the position of Case Worker on the basis of both an oral and written examination" (From "Personnel Administration of the IERC," Appendix No. 4).

TABLE 4

TOTAL NUMBER OF EMPLOYEES, TOTAL SALARIES PAID AND AVERAGE SALARY RATES OF THE IERC,
BY MONTH; FEBRUARY, 1932, THROUGH DECEMBER, 1938

Month	Total Employees	Total Paid in Salaries	Average Salary Rate	Month	Total Employees	Total Paid in Salaries	Average Salary Rate
Feb., 1932...	1,595	\$161,127.19	\$109.38	Aug., 1935...	9,178	\$792,235.42	\$ 91.82
March.....	1,999	185,302.42	106.06	September....	8,298	731,914.18	92.90
April.....	2,356	217,229.25	102.86	October.....	7,878	706,275.67	93.20
May.....	2,514	243,909.78	100.51	November.....	7,616	686,181.51	93.41
June.....	2,895	260,848.97	97.99	December.....	7,504	668,139.62	93.48
July.....	3,145	281,567.75	96.12	Jan., 1936...	6,314	575,157.82	95.64
August.....	3,481	288,878.44	93.90	February.....	5,718	533,526.47	97.01
September....	3,703	310,790.43	93.43	March.....	5,538	517,812.55	97.31
October.....	4,017	338,986.56	90.91	April.....	5,151	471,620.49	96.88
November....	4,378	346,672.69	87.70	May.....	4,762	449,814.43	97.85
December....	4,528	345,240.55	85.75	June.....	4,642	439,667.75	98.29
Jan., 1933...	4,161	348,109.40	86.42	July.....	1,603	138,191.23	100.91
February.....	4,377	355,600.60	86.23	August.....	1,063	104,024.12	106.85
March.....	4,939	394,996.91	85.57	September....	922	94,441.67	107.82
April.....	5,339	430,582.73	85.35	October.....	674	73,752.22	114.69
May.....	5,695	460,172.47	85.08	November....	652	70,868.15	114.45
June.....	5,846	478,129.80	85.73	December.....	608	68,266.08	116.20
July.....	6,040	495,380.10	86.09	Jan., 1937...	553	65,679.54	124.32
August.....	6,121	504,436.63	88.32	February.....	544	65,889.19	124.56
September...	6,083	511,911.57	89.18	March.....	541	64,019.88	124.13
October.....	6,132	518,852.37	89.28	April.....	495	62,184.98	127.13
November....	6,285	531,275.40	90.13	May.....	494	62,498.26	127.51
December.....	6,433	546,744.38	91.66	June.....	494	62,000.00	127.06

Jan., 1934...	6,370	\$536,721.18	\$	92.90	July.....	510	\$	63,339.72	\$127.66
February.....	6,086	541,755.26		92.63	August.....	504		62,632.74	127.81
March.....	6,542	554,071.66		98.17	September....	522		64,629.15	128.23
April.....	7,834	665,031.88		92.65	October.....	521		64,928.45	128.05
May.....	8,472	734,337.27		89.86	November.....	508		64,912.25	129.54
June.....	8,971	788,082.31		95.78	December.....	510		64,219.71	129.67
July.....	9,350	826,620.41		95.11	Jan., 1928...	501		64,017.04	130.01
August.....	9,706	849,692.47		93.73	February.....	518		64,961.56	128.73
September....	9,707	856,051.47		91.89	March.....	522		65,782.06	128.34
October.....	10,013	874,710.17		91.67	April.....	506		64,398.51	129.56
November....	9,901	875,903.42		91.65	May.....	514		64,905.56	129.09
December.....	9,265	812,349.95		91.89	June.....	566		68,134.92	126.01
Jan., 1935...	9,191	807,939.78		91.57	July.....	430		56,771.35	133.25
February.....	9,653	837,072.48		90.26	August.....	428		55,283.21	133.46
March.....	9,920	882,214.95		91.80	September....	414		54,319.32	134.91
April.....	10,248	838,703.66		90.97	October.....	413		55,218.92	134.77
May.....	10,032	649,544.72		91.03	November....	418		55,452.07	135.01
June.....	9,719	881,943.54		91.35	December.....	412		54,818.20	134.88
July.....	9,538	845,500.95		91.52					

County.¹

The State Social Service Department of the IERC set up similar eligibility standards which were applied to the social work personnel employed in downstate counties.² There was everywhere a paucity of well qualified social work personnel but the problem was especially acute in the downstate rural areas. The IERC was obliged to rely heavily upon the so-called case aides who were chosen for their general background of education and pertinent experience, plus aptitude, and were assigned to case loads under supervision. Table 5 shows the educational qualifications of the case aides who were working downstate in a sample month. For the same month Table 6 sets forth the professional education of the County Relief Administrators, Senior and Junior Case Workers (supervisors) then working in counties outside Cook.

Eligibility standards for positions in the state office and on the state field staff of the IERC were never formalized. For the most part the executive in charge of the employing service simply exercised his judgment after interviewing the candidate and studying the record of experience and training.

Late in 1935 the Personnel Department of the IERC prepared, in connection with a revised payroll schedule, a definition of duties and statement of minimum qualifications for every classification in the service.³ The whole program failed to go into effect because the salary schedule therein proposed would have increased the monthly salary costs of the whole organization by 3 per cent.⁴

¹"Personnel Administration of the IERC," Appendix No. 4.

²For example, anyone was eligible for the position of Junior Case Worker who: "(1) Has had one semester or two quarters of education in a recognized School of Social Work, including 300 hours of supervised field work, or (2) Has had one semester or one quarter of education in a recognized School of Social Work, including 150 hours of supervised field work in a case work agency, and six months or more supervised experience in a social agency of approved standards of case work, or (3) Has had college training and supervised experience for one year or longer in a social agency of recognized standards of case work" (From "Personnel Administration of the IERC," Appendix No. 1).

³"Personnel Administration of the IERC," Appendix No. 18.

⁴Biennial Report of the IERC, covering the period July 1, 1934, through June 30, 1936, p. 15.

TABLE 5

EDUCATION OF PERSONS EMPLOYED AS CASE AIDES BY THE
IERC IN JULY, 1934, IN COUNTIES EXCLUSIVE OF COOK^a

Extent of Education	Number	Per Cent	Cumulated Number	Cumulated Per Cent
Total.....	1,052	100.0	1,052	100.0
College post-graduate work, including some Master's degrees.....	111	10.6	111	10.6
College graduation but no post-graduate work...	403	38.3	514	48.9
College work, more than two years but not graduated.....	186	17.7	700	66.6
College work, less than two years.....	120	11.4	820	78.0
High school graduation but no college work.....	119	11.3	939	89.3
High school work, less than graduation.....	113	10.7	1,052	100.0

^aFrom analysis made by the former Assistant Director, IERC State Department of Social Service; in the personnel files of the IERC.

TABLE 6

PROFESSIONAL QUALIFICATIONS OF PERSONS EMPLOYED IN
PROFESSIONAL SOCIAL WORK POSITIONS BY THE IERC
IN JANUARY, 1935, IN COUNTIES EXCLUSIVE OF COOK^a

Qualifications	Total	County Administrators	Case Work Supervisors
Total.....	210	95	115
Membership in AASW or two more quarters in a school of social work.....	66	41	25
One quarter in a school of social work or equivalent in supervised experience.....	31	16	15
Experience only.....	113	38	75

^aFrom analysis made by the former Assistant Director, IERC State Department of Social Service; in personnel files of the IERC. Data include persons employed as County Relief Administrators, Junior and Senior Case Workers.

General personnel standards announced by the Federal Emergency Relief Administration in July, 1933, substantially re-enforced IERC pressure for qualified social work employees. Under its interpretation of the FERA requirement that "Each local relief administration should have at least one trained and experienced investigator on its staff"¹ the IERC required the employment of qualified social work personnel for administration and case work supervision in all counties.²

Residence.--Eligibility for IERC employment included state residence and sometimes consideration of economic need. By an early action of the Commission, employees were required to have had a bona fide residence in the State of Illinois for one year.³ This policy remained in effect thereafter. Shortly after enactment it was protested by family welfare agencies in Chicago on the grounds "that a sufficient number of trained caseworkers cannot be found in Illinois."⁴ Specific exceptions to the policy were requested both by the executive staff⁵ and certain county relief administrations⁶ but in just one instance, on the particular urging of a County Emergency Relief Committee, did the Commission approve temporary retention of a non-resident employee.⁷ Illinois was in a better condition to withstand this restriction than many states because it had in Chicago outstanding facilities for social work training and several large social agencies with good personnel standards. For this very reason, however, Illinois served as a recruiting ground for other states and therefore suffered a certain disadvantage in the higher social work classifications for which there was a nation-wide shortage.

Economic need.--The idea of considering the economic need of employees commonly found its way into the personnel practices

¹FERA Rules and Regulations, No. 3 (July 11, 1933).

²IERC Official Bulletin, No. 83 (August 4, 1933).

³Minutes of IERC meeting on April 29, 1932.

⁴Ibid., May 13, 1932.

⁵Ibid., July 31, 1933, and June 29, 1934.

⁶Ibid., June 23, 1932, and July 27, 1934.

⁷Ibid., September 14, 1934.

of the emergency relief administrations. After an analysis of the payroll of the IERC the State Auditor of Public Accounts in January, 1933, called attention to a number of instances where more than one member of a family unit was employed by the IERC. There resulted the policy that ". . . not more than one member of a family shall be employed, and interpreted to relate to husbands and wives, parents and children, brothers and sisters living in the same economic unit."¹ The policy was not applied to relatives not living in a common domicile. In April, 1935, this policy was emphatically reiterated² and several qualified employees dismissed.³ The Chicago Chapter of the American Association of Social Workers sought rescission in a hearing before the Commission⁴ and presented able argument for a strict merit basis in public employment.⁵ At this time the Executive-Secretary also recommended a strict merit basis, stating that "As a general rule, any consideration other than qualification and fitness for the duties of the position involved which interferes with the selection of those best qualified tends to lower the efficiency of the public service and therefore does not result in the greatest possible return for the public funds expended."⁶ But the policy was not modified.⁷

A subcommittee of the Cook County Board of Commissioners once instructed that case work aides and clerical workers for the Cook County Bureau of Public Welfare be recruited from the relief rolls;⁸ in 1935 when the IERC organization began to contract the Commission suggested consideration of economic need in selecting

¹Minutes of IERC meeting on February 6, 1933.

²IERC Official Bulletin, No. 481.

³The personnel files of the IERC.

⁴Minutes of IERC meeting on August 2, 1935.

⁵Agenda of IERC meeting on August 30, 1935 (files of the IERC).

⁶Minutes of IERC meeting on August 30, 1935.

⁷Ibid. The statement was made that ". . . it should be the aim of the Commission, in employing personnel and in all of its policies, to spread the funds under the control of the Commission to accomplish the widest benefit possible in the community. . . ."

⁸Minutes of IERC meeting on January 20, 1933.

employees to be retained;¹ County Emergency Relief Committees commonly viewed need as a basis for employment; and at the suggestion of the FERA the IERC extensively employed clients for administrative service on a work relief basis.²

Any consideration of economic need when employing personnel is in principle inimical to maximum administrative efficiency. Except in the case of administrative work relief, however, the practical harm done by these devices in the IERC, though impossible to measure, could easily be exaggerated. Furthermore, these practices must be viewed in the light of a time when the catastrophe of unemployment had made "spread the work" a popular slogan; it unquestionably was what the public wanted.

In-service training.--There was an acute shortage, in Illinois as elsewhere, of persons with training and experience in social case work, and many persons who had neither training nor experience were put in positions which needed both. The IERC therefore undertook to make a minimum of valuable training available to social work employees while on the job. In Cook County, where schools of social service were available, definite programs were developed and employees were permitted to work on a part-time basis in order to secure training. Many employees were able also to undertake some formal study while working full-time.

In the other counties training facilities were at once unavailable and greatly needed. The first effort to meet this need was made by the Social Service Department of the IERC in the winter of 1933-1934 by encouraging informal training conferences and providing outlines, reading lists and leadership for them.³ Next came a national program of the FERA to earmark limited funds with which to provide some full-time training in residence at accredited schools of social work for promising local relief workers. Illinois received \$7,600 thus earmarked and used it to pay tuition and expenses for eighteen case aides from as many different downstate counties, each of whom received one or two full terms at either the University of Chicago or Washington University

¹Ibid., May 31, 1935.

²IERC Official Bulletin, No. 84 (August 5, 1933). For further discussion of administrative work relief, see infra, pp. 103-104.

³"Personnel Administration of the IERC," p. 4.

in St. Louis.¹ On leave of absence for the purpose, all of them returned to the employ of the IERC.

Between October, 1934, and June, 1935, a formal extension course in social case work was given in each of twelve cities outside Chicago. Each course had one four-hour meeting a week for fifteen weeks, and accommodated thirty-five employees of the IERC from surrounding counties. Although no tuition was charged the Graduate School of Social Service Administration of the University of Chicago aided in the planning and financing of the project and arranged to give academic credit to such students as might later be in residence at the University. Two of the four instructors were employees of the IERC Department of Social Service.² The other two were members of the faculty of the University of Chicago. That series of extension courses was the last experiment with in-service training. After that in the final year of state relief administration the organization was curtailing its staff and was unable to emphasize improvement of personnel.

Classification and Compensation

At first the salaries of most IERC employees were determined independently by the agents of the Commission for whom the employees worked, such as the Cook County Bureau of Public Welfare or the County Emergency Relief Committee. The need for a systematic classification of the service and standardization of salaries soon became apparent. In November, 1932 the first classification of positions, with salary rates, was adopted by the Commission. This first plan was crude and inadequate and was not constructed with a permanent organization in mind. A total of forty-six classifications was listed and a maximum salary rate fixed for each. The classes were not defined either as to function or qualifications, nor were minimum salaries or salary ranges fixed for them.³

¹Minutes of IERC meeting on September 14, 1934.

²Minutes of IERC meeting on October 5, 1934; IERC Official Bulletin, No. 373.

³Minutes of IERC meeting on November 4, 1932. For example, the social work positions, with the maximum salary rates set for them, were as follows:

a. Supervisors or Superintendents	\$200.00
b. Assistant Supervisor	160.00
c. Senior Case Worker	150.00
d. Junior Case Worker	115.00
e. Case Work Aide	90.00

It was ordered that all current salaries in excess of the maximum established for the class be reduced to the maximum and that all current salaries below the maximum might be increased within it only by approval of the Commission.¹ The plan was regarded not only as a standardization but also a reduction of salaries.² The resulting reduction in Cook County brought a request to the Commission from the Advisory Board of the Cook County Bureau of Public Welfare that the maxima be increased for certain classifications.³

Failure of the above plan to set any limit below which salaries might not go was a serious deficiency with regard to some downstate areas where salaries, always low, were still further depressed. Effective August 1, 1933, the FERA established, in conformity with the National Industrial Recovery Administration, absolute minimum salaries for the relief service of \$52, \$61, and \$65, according to the size of the community.⁴ This ruling brought protection to many persons paid from IERC funds and actual increases to some.

A revision of the classification and compensation schedule for the IERC personnel resulted from appointment by the Executive-Secretary in September, 1933, of a staff committee on Administrative Organization and Control.⁵ After careful study the committee submitted a new plan which, after a downward revision of the proposed salary schedules "to the end that the average salary in each classification should not be increased above the present average salary within each class,"⁶ went into effect in November, 1934.⁷ It included 68 classifications for the state office, 52 for Cook

¹Two weeks later the Chairman was authorized to approve salary increases (Minutes of IERC meeting on November 18, 1932).

²Third Interim Report of the IERC, p. 7.

³Minutes of IERC meeting on December 2, 1932.

⁴Rules and Regulations of the FERA, No. 5, effective August 1, 1933.

⁵The committee consisted of the Business Manager, Chief Auditor, and Associate Executive Secretary (files of the IERC).

⁶Minutes of IERC meeting on February 9, 1934.

⁷Ibid., November 9, 1934.

County, and 37 for other counties, and with the exception of the top executive positions, which were to be appraised, a minimum and maximum salary was established for each.¹ It also included a functional description of each classification. All current salaries were brought within the ranges thus established but no adequate system was provided for periodic salary advances in recognition of length of service and satisfactory performance.

The reclassification of positions and revised salary schedules worked out by the central Personnel Department in 1935, which failed to become effective,² were comprehensively designed to give the IERC an adequate practice regarding classification and compensation.³ The 1934 plan remained in effect until more than a year after relief responsibility had been returned to the local governments and the IERC payroll reduced to a fraction of its former size.

Effective January 1, 1938, the Commission adopted a new schedule of salary ranges submitted by a subcommittee of its own membership.⁴ This committee studied the salary rates of industrial firms, social agencies and the State of Illinois, and found that in a majority of classifications IERC salary ranges were below average practice elsewhere. The new schedule put IERC practice in conformity with prevailing practice among the organizations studied.⁵ No systematic plan for salary advances within

¹"Personnel Administration of the IERC," Appendix No. 17. For example, social work classifications and salary ranges were:
For Cook County

District Supervisor	\$175.00 to \$250.00
Assistant District Supervisor	125.00 to 200.00
Senior Case Worker	120.00 to 175.00
Junior Case Worker	95.00 to 125.00
Case Work Aide	75.00 to 100.00

For Other Counties

County Administrator	100.00 to 250.00
Senior Case Worker	125.00 to 175.00
Junior Case Worker	95.00 to 125.00
Case Work Aide	61.00 to 100.00

²See supra, p. 82.

³"Personnel Administration of the IERC," pp. 7 and 8.

⁴Minutes of IERC meeting on November 30, 1937.

⁵"Results and Conclusions of Committee on Personnel in Connection with Survey Conducted for the Purpose of Determining the Prevailing Rates of Pay for Various Classifications of Employees within the State of Illinois, November 30, 1937"(files of the IERC).

TABLE 7

NUMBER AND PERCENTAGE OF TOTAL EMPLOYEES, AMOUNT AND PERCENTAGE OF TOTAL SALARIES PAID,
AND AVERAGE SALARY RATE, BY GENERAL TYPES OF SERVICE, FOR JUNE OF EACH YEAR:
1932 THROUGH 1936

General Type of Service	Number of Employees	Percentage of All Employees	Amount of Salaries Paid	Percentage of All Salaries Paid	Average Salary Rate
Total, June, 1932.....	2,895	100.0	\$260,848.97	100.0	\$ 97.99
Supervisors.....	161	5.7	26,842.01	10.3	173.99
Case workers.....	1,091	37.6	109,526.67	42.0	109.95
Stenographers.....	487	16.8	39,311.91	15.1	86.52
Clerks and clerical.....	848	29.3	62,925.72	24.1	81.19
Other workers.....	308	10.6	22,242.66	8.5	80.29
Total, June, 1933.....	5,846	100.0	478,129.80	100.0	85.73
Supervisors.....	92	1.6	13,946.82	2.9	151.71
Case workers.....	2,472	42.3	228,732.23	47.8	97.45
Stenographers.....	1,131	19.3	82,063.89	17.2	75.53
Clerks and clerical.....	1,459	25.0	103,924.77	21.7	74.65
Other workers.....	692	11.8	49,462.09	10.4	75.02
Total, June, 1934.....	8,971	100.0	788,056.81	100.0	95.78
Supervisors.....	227	2.5	29,198.00	3.7	130.71
Case workers.....	3,670	40.9	336,911.23	42.8	98.81
Stenographers.....	1,694	18.9	122,983.78	15.6	76.41
Clerks and clerical.....	1,547	17.3	110,403.93	14.0	75.84
Other workers.....	1,833	20.4	188,559.87	23.9	120.15

Total, June, 1935 ^b	9,719	100.0	\$881,943.54	100.0	\$ 91.35
Supervisors.....	612	6.3	71,038.98	8.1	119.36
Case workers.....	3,678	37.8	354,364.48	40.1	97.79
Stenographers.....	1,848	19.0	140,311.52	15.9	75.97
Clerks and clerical.....	1,936	19.9	146,428.20	16.6	74.91
Other workers.....	1,645	17.0	169,800.36	19.3	103.16
Total, June, 1936 ^b	4,642	100.0	439,602.75	100.0	98.29
Supervisors.....	266	5.7	33,773.56	7.7	129.05
Case workers.....	1,906	41.1	196,096.43	44.6	107.78
Stenographers.....	856	18.5	65,732.90	15.0	80.11
Clerks and clerical.....	628	13.5	48,347.51	11.0	78.95
Other workers.....	986	21.2	95,652.35	21.7	99.80

^aIncludes all case work positions, including administrative, supervisory, and family visiting.

^bBetween June, 1934, and June, 1935, the IERC payroll classification was revised, for which reason the groupings into general types of service for June, 1935 and 1936, cannot be strictly comparable with previous years.

the ranges was provided, the matter being explicitly left to executive and Commission judgment.¹

For June of each year of state responsibility for relief administration Table 7 presents, by general categories of personnel employed in the IERC, a summary of the number of employees, amount paid in salaries and average individual salary rates. Approximately two-fifths of all employees were engaged in case work and had an individual salary rate usually averaging close to \$100 per month.

Adequacy of salaries.--Throughout the period of state relief administration, salaries were very conservative, especially in view of the insecurity, pressure and long hours of work which characterized the service. Illinois was by no means unique in this respect. It was a time when salaries and wages generally were depressed. There was a widespread and deep-set popular conception of the payroll of public relief organizations as a kind of glorified relief roll. It was thought that employees of emergency relief agencies should not expect the same consideration as might be given in normal times or in other branches of public service; that they should be glad to have a job at all. The members of the IERC and the County Emergency Relief Committees not only shared this view to some extent themselves but as public servants felt it pressed upon them from nearly every side. The Commission resisted pressure to put salaries lower than seemed to be wise.² It is not difficult to understand how it happened that salaries were low but the fact remains that from the viewpoint of thousands of capable and heavily burdened employees the inadequate compensation was unfair.

Privileges and Protection

Vacations.--In 1932 the Commission decided that its employees should have no vacations with pay.³ Protests against

¹Minutes of IERC meeting on November 30, 1937.

²The Commission resisted a suggestion from the Governor to reduce salaries, on the ground "that salary rates could not be reduced without working a gross injustice on those involved" (Minutes of IERC meeting on April 21, 1933).

³Minutes of IERC meeting on July 29, 1932.

this action were addressed to the Commission by the Chicago Chapter of the American Association of Social Workers and by social workers employed by the IERC in Chicago.¹ There were no paid vacations in 1932. In 1933, after long deliberation on the matter and consultation with the Governor,² approval was given for one week's vacation with pay and an optional second week without pay for all employees who had served six months or more.³ For 1934, in keeping with recommendations previously made by the FERA,⁴ a paid vacation of two weeks was allowed all employees in the service more than one year, and for those in the service more than six months one week plus an optional second week without pay.⁵ The same plan was in force in 1935,⁶ 1937,⁷ and 1938.⁸ In 1936, when it became clear that the General Assembly would either abolish the IERC or drastically curtail its functions, vacations were temporarily stopped.⁹ Not until August, 1936, was the regular vacation plan reinstated.¹⁰ During the summer of 1936, while the vacation plan was in abeyance, the IERC relinquished responsibility for relief administration and several thousands of employees were dismissed. When vacations were reinstated in August there was strong feeling that the employees recently dismissed in good standing should be compensated for such vacation rights as they had accumulated.¹¹ The American Federation of Government Employees¹² and the Chicago Chapter, American Association of Social Workers¹³ both pled for this in hearings before the Commission.

¹Ibid., August 26, 1932.

²Ibid., April 14, 1933.

³Ibid., May 26, 1933.

⁴FERA official communication, "General Ruling on Vacations," addressed to Governors and State Relief Administrators, June 29, 1933.

⁵Minutes of IERC meeting on April 6, 1934.

⁶IERC Official Bulletin, No. 477.

⁷Ibid., No. 681.

⁸Ibid., No. 696.

⁹Ibid., No. 617.

¹⁰Minutes of IERC meeting on August 14, 1936.

¹¹The 1935 vacation plan had provided that "Employees dismissed in good standing shall be allowed vacation privileges as developed at time of dismissal" (IERC Official Bulletin, No. 496).

¹²Minutes of IERC meeting on September 11, 1936.

¹³Ibid., December 18, 1936.

One dismissed employee sought unsuccessfully to recover vacation pay by a suit in the Superior Court of Cook County¹ and by a claim before the Illinois State Court of Claims.²

Sick leave.--For the first two years the IERC had no uniform plan for sick leave with pay, although such leave was occasionally given by executive action. In February, 1934, the Commission formally provided that "After six month's employment one-half day's sick leave may be allowed for each month's employment, or a maximum of six days for one full year's employment."³ Shortly afterward the plan was amplified to permit sick leave with pay up to one month on special approval of the Executive-Secretary and beyond one month on approval of the Commission.⁴ Certification of illness by a doctor was required only when the extended leave was requested. The sick leave provision was revised January 1, 1937, to allow fifteen days per calendar year for absence necessary because of illness of employee, illness in immediate family, death in family, or religious holidays. This brought IERC practice into conformity with other governmental services in the state.⁵

Legal holidays were of course regularly observed; paid time was given for such purposes as voting and service in the National Guard; and time either with or without pay was frequently given social work employees for attendance at professional conferences.

Hours of work.--A maximum working time of forty hours per week was established by the FERA in 1933 to conform with the National Industrial Recovery Administration.⁶ Hours of work in the IERC never were set higher than that and in 1938 a five-day week was introduced. Due to the heavy burden of work, especially in the early years of the emergency relief program, much longer hours were common. At one juncture when duties were especially burdensome overtime pay at regular salary rates was allowed for a

¹Ibid., April 30, 1937.

²Ibid., April 15, 1938.

³Ibid., February 23, 1934.

⁴Ibid., April 6, 1934.

⁵Ibid., January 15, 1937.

⁶FERA Rules and Regulations, No. 5, effective August 1, 1933.

temporary period.¹

The personnel practices of the IERC with regard to leaves of absence and hours of work were sub-standard for about the first two years but after that did not perhaps compare unfavorably with public service in general. The Commission was not unsympathetic toward its employees, although it was very difficult to appreciate fully the extreme burden carried by many workers in the relief offices. It did not attempt to justify its sub-standard policy regarding vacations and "sick leave" in the first two years on any other than temporary and emergent grounds. As time went on standard practices were adopted.

The failure to allow vacations in 1932 was definitely unfair to many employees who at that time had already been under the strain of relief administration for one, two, or three years before they began to be paid from IERC funds.

Injury compensation.--Several instances of violent injury to employees in line of duty served to impress not only the Commission but the entire organization with the sometimes heroic aspect of relief administration. The saddest and most dramatic of these incidents happened on January 25, 1935. Just as the Commission was adjourning its meeting late that day a report was brought in that a relief client in Chicago had shot and killed his case worker in the client's home, had then gone to the relief station and shot three more workers, after which he had killed himself and his mother.²

In April, 1932, the Attorney General of Illinois advised the IERC that accident compensation insurance for its employees need not be carried. Like other state employees those of the IERC, in case of claim, had recourse to the State Court of Claims which might make an award under the Illinois Workmen's Compensation Law; and, in case of such an award, recovery was to be had through a special appropriation by the General Assembly.³ Later

¹IERC Official Bulletins, Nos. 491 and 514. For several years prior to January 1, 1939, 75 cents "supper money" was allowed each time an employee worked in the evening.

²Minutes of IERC meeting on January 25, 1935.

³Letter from the Attorney General of Illinois to the Executive-Secretary of the IERC, April 16, 1932 (files of the IERC). The Court of Claims is legally responsible for adjudication

the Attorney General gave the opinion that ". . . the IERC has no power or authority in law to expend any portion of its appropriation for the purpose of paying for employee's compensation or public liability insurance."¹

Therefore, the IERC never carried insurance for its employees.² The process of making recovery through the State Court of Claims and the General Assembly was circuitous and expensive and evidently never made use of by any employee of the Commission. Medical service was occasionally provided to employees injured while on duty but according to another opinion of the Attorney General such aid had to be given as "relief" and not in settlement of any "claim."³ Provision for injury compensation to IERC employees was inadequate; but they were no worse off than the other employees of the State of Illinois.

Early in 1936 an ingenious scheme was worked out to provide much better protection to employees of the Commission. In January, 1935, with the permission of the FERA, a special fund of \$160,000 had been set up from which to pay claims under the terms of the Illinois Workmen's Compensation Law to work relief clients on projects sponsored by state and federal agencies.⁴ A year later this fund was almost intact and permission was obtained from both the Attorney General of Illinois⁵ and the FERA⁶ to make disbursements from it to cover injury compensation claims of administrative employees as well as work relief clients. It was provided that claims under \$50 cognizable under the Workmen's Compensation Law

of all claims of state employees under the Workmen's Compensation Law (Illinois Revised Statutes, 1937, chap. 37, sec. 432, par. 6).

¹Letter from Attorney General of Illinois to the Executive-Secretary of the IERC, June 29, 1933 (files of the IERC).

²The one exception was that until September, 1933, the IERC did carry insurance, earlier begun with private funds, for protection of employees of the Unemployment Relief Service in Cook County. No premiums were paid after the Attorney General's opinion, June 23, 1933.

³Letter from Attorney General of Illinois to the Executive-Secretary of the IERC, December 22, 1933 (files of the IERC).

⁴Minutes of IERC meeting on January 18, 1935.

⁵Ibid., February 28, 1936. ⁶Ibid., March 20, 1936.

could be paid by approval of the Executive-Secretary and that larger claims should be paid on the basis of an advisory opinion from the Illinois Court of Claim in each case.¹

Between the time this fund became available and January 1, 1939, the IERC paid out a total of \$11,051.87 to satisfy claims of thirty-five administrative employees adjudged compensable under the Workmen's Compensation Law.² Large awards were paid on a combination lump sum-installment basis. In view of the impermanency of the IERC, enabling legislation was obtained under which total awards could be deposited with the State Treasurer for disbursement under the terms of the award.³

Office housing.--Generally speaking the relief offices throughout the state were poorly housed. The FERA early prohibited the use of its funds for rental of offices⁴ and the Commission followed the same policy. Local funds for the purpose were scarce. The need was considered temporary and no standards of office housing were made or enforced. The Commission early made an exception to its policy in the case of Cook County⁵ and later permitted unavoidable payments downstate.⁶

Employee Organizations

Number and size.--During the period of relief administration by the IERC there arose, in Cook County, among employees of the Commission and other social agencies, organizations which concerned themselves both with personnel matters and with general

¹Minutes of IERC meetings on February 7, 1936, and March 27, 1936. Claims under \$50 were adjudicated by an attorney on the staff of the IERC. Claims for larger amounts were approved for payment by the Commission on basis of advisory opinions from the State Court of Claims, with which special arrangements were made by the IERC to render such opinions.

²Records in the Restitution Department of the IERC.

³Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, p. 71.

⁴FERA communication to Governor of Illinois, May 31, 1933 (IERC files).

⁵Minutes of IERC meeting on June 26, 1933.

⁶Ibid., August 10, 1934.

problems and policies of relief administration. In 1933 several organizations were heard of but evidently were small and not very important. During 1934 and 1935 there were a number of such groups which became somewhat active; four were reported to the Commission to include IERC employees in their membership. It was reported that the Social Worker's Association of Cook County had 500 members, all of whom were on the staff of either the Cook County Bureau of Public Welfare or the Unemployment Relief Service of the Cook County Relief Administration; that the Public Welfare Worker's Association was composed of clerical and maintenance staffs of public welfare agencies in Cook County and had 600 members of whom approximately one-half were in the service of the IERC; that the Federation of Social Service Employees had about 100 members among professional and clerical workers in public and private agencies, about one-fourth of them in the employ of the IERC; and that the Practitioner's Group of the Chicago Chapter, American Association of Social Workers had a membership of 35 case workers, about one-fifth of whom were employed by the Commission.¹

Late in 1935 the movement achieved some unity by the merger of several groups into a single organization which took the name of Association of Workers in Public Agencies and in October claimed a membership of 1,300 largely if not entirely among IERC employees.² This group maintained a stable and active existence. In 1936 it affiliated with the American Federation of Government Employees of the American Federation of Labor; and in July, 1937, changed its affiliation to the Committee for Industrial Organization and became Local No. 30 of the State, County and Municipal Workers of America.³ At the close of 1938 this organization was quite active in the Chicago Relief Administration.⁴

¹Report presented to the Commission by the Executive Secretary (agenda of IERC meeting of July 19, 1935; files of the IERC).

²From statements of representatives of the AWP to the Executive-Secretary of the IERC, October 10, 1935 (files of the IERC).

³From the "Flash," the mimeographed organ of Local No. 30, SCMWA, and other materials in the files of the IERC.

⁴Membership eligibility in the SCMWA extended to all state

These employee organizations involved employees of the IERC only prior to July 1, 1936. Their existence up to that point was characterized by small membership, scattered aims, ineffective tactics, and a strained relationship with the Commission. Organizations of public employees in other fields were, of course, nothing new, either in Chicago or elsewhere;¹ but those under discussion here had the typical characteristics of worker's organizations in the earliest stages.

Although exact figures on the membership of these groups prior to the middle of 1936 are unavailable, it is safe to say that much fewer than one-half and probably less than one-fourth of the employees of the IERC in Cook County were members. Elsewhere in Illinois, so far as is known, there were no such organizations. The division of such organized employees as there were into several independent groups dissipated the strength of the movement.

Objectives.--Whether each of the ephemeral organizations even tried to state its aims concisely is doubtful. In 1935 the Association of Workers in Public Agencies stated its objectives as follows: "(a) To maintain and develop professional and vocational standards of employees engaged in social welfare, (b) To protect the economic welfare of employees, (c) To promote a program of broad social welfare through support of social legislation and through interpretation of such legislation to the public."² It was typical of these groups that they concerned themselves not only with matters of personal moment to their members but also with the whole of public policy in relief administration. The files of the IERC reveal that these early employee organizations

and local government employees "except police, firemen, teachers and persons in military service" (the "Flash," July 31, 1937). However, at the close of 1938 the union was principally active in the Cook County Bureau of Public Welfare and the Chicago Relief Administration.

¹See for example, L. D. White, Trends in Public Administration (New York: McGraw-Hill, 1933), chaps. 20 and 21; and J. W. Errant, "Trade Unionism in the Civil Service of Chicago" (Doctor's thesis, University of Chicago, 1939).

²From statements of representatives of the AWP to the Executive-Secretary of the IERC, October 10, 1935 (files of the IERC).

gave attention to such particular matters as salaries, hours of work, medical care and accident compensation for employees, vacations, sick leave, worker case loads, methods of inducting personnel, stationing of police in relief stations, treatment of organizations of the unemployed, case work standards, supplementation of WPA earnings, adequacy of relief, use of the sworn affidavit in determining eligibility for relief, re-examinations of the relief rolls, the sales tax, the withdrawal of federal aid for direct relief--and others.

Activities.--Protestation of acts and policies of the relief administration was the common activity of the employee organizations, but their action often had an affirmative aspect. The most common device was written communication to the heads of the Cook County Relief Administration and the IERC. Representative committees had a number of conferences with these executives and on at least two occasions were given hearings before the Commission. Their attitude was predominantly conciliatory. Late in 1936 the Association of Workers in Public Agencies advised the Cook County Administrator that after a certain date its members would refuse to work overtime. The plan was offered to the administration as an aid in the execution of its declared intention to eliminate excessive overtime.¹ The situation was peaceably resolved and was the sole instance of a threat to apply organized force.

Inexperienced in organized tactics and introducing worker organization into a new and complicated field these groups were bound to make tactical blunders. An outstanding example was the opposition to the sales tax in May, 1935. In that month the IERC faced one of its most serious financial crises. The failure of the state to meet a federal request for a larger state share in relief financing had resulted in stoppage of federal grants to compel the state to act. To avoid suffering the paramount need was to get more state money and get it quickly. To do this it was proposed to increase the sales tax from two to three per cent. At a mass meeting on May 17 representatives of several organizations of social agency employees were present.² A resolution was

¹Letter from AWWPA to Cook County Relief Administrator, December 5, 1935 (files of the IERC).

²Agenda of IERC meeting on July 19, 1935, Exhibit G, "Re-

passed condemning the sales tax and advocating income and inheritance taxes for relief financing, and copies of the resolution were sent to the members of the Commission, the Governor, the Speaker of the House and President of the Senate of the General Assembly, the Mayor of Chicago, and the Federal Emergency Relief Administrator.¹

The resolution was discussed by the Commission at its next meeting.² The sales tax, while subject to criticism as an unjust tax, was an immediately feasible source of revenue whereas a state income tax, as was recognized in the resolution, would require a constitutional amendment. The Commission, primarily concerned that the legislature should somehow raise the money, was chagrined, not to say angered, by the resolution. It directed that any IERC employees who could be found to have been instigators of the resolution be requested to resign.³ Since there were no records of the meeting at which the resolution was adopted further action was impossible. The legislature did increase the sales tax and the net result of the incident for the employee organizations was a deep-set antagonism on the part of the Commission.

Relationship to the Commission.--The attitude of the Commission toward the employee organizations was decidedly unsympathetic. Later in 1935 the Association of Workers in Public Agencies sought, in a spirit of co-operation,⁴ an opportunity to confer with the Commission. The Commission received a committee of four, all IERC employees, which was prepared to speak to certain

port by the Executive-Secretary on Organizations Presenting Resolution of Protest" (files of the IERC).

¹Files of the IERC.

²Minutes of IERC meeting on May 31, 1935.

³Ibid., July 19, 1935.

⁴The letter requesting the hearing read, in part, as follows: "A committee . . . is anxious to meet with the IERC in order to present the point of view of the Commission's employees with regard to important changes in policy affecting standards of relief and social service in Illinois. As the employees have as yet had no opportunity to meet directly with the Commission, we earnestly request that this opportunity be afforded us in order to bring about a clearer understanding regarding issues which are of great concern to the employee group."

administrative problems none of which had to do with personnel administration.¹ The employees met with antagonism on the part of Commission members who reprimanded and questioned them and did not permit them to complete their statements. This incident, which was sensationally publicized by one Chicago newspaper,² was unquestionably damaging to the morale of the Cook County staff of the IERC. Resentful and in fear of reprisal, the employee organization prepared a description of what took place and sent it to its membership and to the President of the United States, the Federal Emergency Relief Administrator, and the Governor of Illinois.³ The Commission took no action on the matter.

Whether different tactics on the part of the organizations could have altered the attitude of the Commission toward them is impossible to say. The basic difficulty probably was that lack of recognition by the employer which new worker's organizations almost always meet with. It is important however to note that the executive staff of the IERC, whatever may have been its opinion of the employee organizations, dealt with them on a basis of patience and conciliation.

Significance of employee organizations.--The more important of these organizations under the IERC were largely made up of and led by social work employees. In their aims and interests they closely resembled the American Association of Social Workers. In other respects they were fundamentally different from that established professional organization, which explains why they had to grow up outside of it. AASW membership is based upon standardized professional qualifications of the individual whereas membership in the new organizations was based upon type of employment; the AASW includes as members, and is largely dominated by, persons in executive and supervisory positions, whereas the new organizations were avowedly and in all respects "rank and file." Some social workers were members of both. The new organizations were thus a kind of combined trade union and professional organization.

Groups of this kind arose not only in Chicago but in populous centers all over the United States. The future probably will

¹Minutes and Agenda of IERC meeting on October 18, 1935.

²Chicago Herald and Examiner, October 19, 1935.

³Files of the IERC.

reveal them as the beginners of a permanent and effective public employee's organization in the field of social service. It is doubtful whether constructive results can be traced to their efforts in Chicago prior to July, 1936, but they did at least demonstrate that social workers in the public service are bound to evince a basic professional interest in their job.

Administrative Work Relief

During a period of approximately twenty months the IERC employed many relief clients on a work relief basis to perform duties in connection with relief administration; this was called administrative work relief. The practice began in August, 1933, at the suggestion of the FERA.¹ Minimum wage rates of 30¢, 35¢, and 37½¢ per hour, according to the size of the community, were established. The original plan provided that the total earnings of clients assigned to administrative work should not exceed their relief budgets.² This was soon changed, however, to permit full-time work if the service needed it, with full-time pay,³ which soon became the predominant practice.

Table 8 shows, for the thirteen months that the figures were reported to the FERA, the total number of administrative work relief employees on the payroll at the close of each month and the monthly total amount of the AWR payroll. This basis of employment for the administrative service was extensively used. In June, 1934, the total of AWR employees reached a high point of more than one-sixth of the number of regular administrative employees. These employees were almost entirely in clerical and manual positions; seldom, if ever, were any social work positions filled in this way. In January, 1935, it was ordered that all AWR employees should have their earnings reduced to conform with the relief budget or be transferred to the regular payroll.⁴ In April administrative work relief was ordered discontinued

¹Rules and Regulations of the FERA, No. 4, effective August 1, 1933.

²IERC Official Bulletin, No. 84.

³This was done with the approval of the FERA (IERC Official Bulletin, No. 122).

⁴IERC Official Bulletin, No. 434.

altogether.¹

TABLE 8

NUMBER OF RELIEF PERSONS ON ADMINISTRATIVE WORK RELIEF
PROJECTS AND AMOUNT OF EARNINGS ON ALL PAYROLLS ENDING
DURING THE MONTH, IN ILLINOIS, MAY, 1934,
THROUGH MAY, 1935

Month	Relief Persons on Administrative Projects	
	Number on Last Payroll Ending During the Month	Earnings on All Payrolls Ending During the Month
Total.....		\$632,902.22
May, 1934.....	1,391	94,703.50
June.....	1,540	77,915.85
July.....	1,551	101,253.39
August.....	238	19,705.07
September.....	399	22,529.99
October.....	980	37,548.69
November.....	1,385	77,177.16
December.....	1,288	74,144.63
January, 1935.....	1,198	73,094.11
February.....	756	28,376.51
March.....	535	21,870.98
April.....	396	14,230.31
May.....	169	352.03

The AWR payroll eventually came to be recognized as an unsound administrative procedure. It was charged to relief expenditure but really represented, in predominant part, necessary administrative cost. It gave to relief clients an employment priority over other potential candidates who might be equally needy and better qualified. Finally, it was unfair to the full-time employee who, because he came from the relief rolls, was given a status inferior to that of other employees. AWR employees did share some privileges, such as vacations,² but were ineligible for others, such as salary increases. Through transfer to the regular payroll an occasional AWR employee was freed from the inferior status.

¹Ibid., No. 483.

²Ibid., Nos. 256 and 477.

Use of Other Agency Personnel

One of the interesting phases of the work of the IERC was the use made of the personnel of other agencies. In the beginning, when the Commission considered itself a very temporary organization, it borrowed an important part of the original central staff¹ and early announced the policy that relief would be administered through established agencies and no new relief machinery created.² Eventually the borrowed personnel was either taken over by the IERC or returned to the loaning agency and, as has already been noted,³ new relief machinery did develop under the County Emergency Relief Committees. In November, 1933, the Commission formally assumed direct control over relief administration in Cook County,⁴ which meant direct control of all personnel paid from Commission funds even though many employees were nominally under the Cook County Bureau of Public Welfare. For the other counties the policy of using only existing agencies never was formally revised but was completely abrogated in practice. By the end of 1933 the IERC was everywhere administering its funds through its own or other governmental machinery, with one important exception.

The exception was that in Cook and certain other counties the Commission continued, throughout its tenure of relief administration, to expend a small part of its funds through the relief-giving structures of the Catholic church. Consequent upon the FERA order of June, 1933, prohibiting "the turning over of Federal Emergency Relief Funds to a private agency"⁵ all other private agencies in the state were eliminated from any share in the

¹Personnel was borrowed from the State Departments of Labor and Public Welfare, the Illinois Board of Public Welfare Commissioners, the Council of Social Agencies of Chicago, the United Charities of Chicago, the Catholic Charities of the Chicago Diocese; perhaps others.

²Minutes of IERC meeting on February 18, 1932.

³See chap. 11, pp. 54-55.

⁴Minutes of IERC meeting on November 17, 1933.

⁵"Rules and Regulations Governing Expenditure of Federal Emergency Relief Funds, No. 1," issued June 23, 1933.

administration of IERC funds.¹ The Catholic agencies tenaciously sought to continue in the administration of public funds and were permitted by the Commission to do so² through the "use of personnel loaned by private agency" as provided for in FERA regulations.³

The Commission makes an exception to its anti-subsidy policy.--As early as February, 1932, the Commission determined that all relief due to unemployment should be administered in Cook County by the County Bureau of Public Welfare, and that the private family welfare agencies should be responsible only for cases involving major problems other than unemployment.⁴ In April, 1932, it was officially reported to be a policy of the Commission that ". . . where satisfactory standards of relief administration are maintained the relief from State funds shall be administered by the public agency."⁵ All private agencies complied with the February order and as rapidly as possible transferred their unemployment relief cases to the County Bureau of Public Welfare. In August, 1932, the Joint Emergency Relief Fund of Cook County⁶ advised each of the private agencies still administering IERC funds in Chicago that ". . . the Commission is desirous of reducing its expenditures through private agencies, believing in the principle that funds derived from taxation should be expended through public bodies solely . . . and there are likely to be further reductions with, eventually, elimination of private agencies from allocations of the Commission in the

¹There may have been a very few minor exceptions in cases of small, non-sectarian family welfare agencies in counties other than Cook.

²Minutes of IERC meeting on July 31, 1933.

³"Rules and Regulations, No. 3," sec. 1 ("Supplement to Rules and Regulations, No. 1"), issued by the FERA, July 11, 1933.

⁴Minutes of IERC meeting of February 25, 1932. This action did not include withdrawal from the private agencies of IERC funds to provide relief in "problem" cases.

⁵First Interim Report of the IERC (published April 15, 1932), p. 7.

⁶The JERC was used by the IERC as an intermediary in dealing with the private agencies. See chap. 11, pp. 57-60.

near future."¹

Out of concern aroused by the communication just quoted, representatives of the Catholic Diocese of Chicago appeared before the Commission and requested not only that the Catholic Charities be allowed to continue administration of IERC funds to "problem" cases but that the policy of the Commission be modified so as to permit administration through the Catholic Charities of IERC funds spent on behalf of any Catholic families in Chicago who might prefer to be helped through that agency.² Three weeks later, after further hearings and long debate, the Commission granted the request.³ The action was later reconsidered and reaffirmed.⁴ Protests were received, and acknowledged by the Commission, from Protestant Church organizations⁵ and from the Advisory Committee of the Cook County Bureau of Public Welfare⁶ but did not lead to any change. By direction of the Commission, inquiry was made as to the possible desire and qualification on the part of other religious, labor or racial organizations to participate on a like basis in the administration of IERC funds;⁷ but no other private organization in Chicago assumed a like relationship to the IERC.

The FERA regulation against subsidization.--Thus it happened that the IERC had settled for itself the private agency issue some six months before the FERA sent out its first regulations on the matter. When the FERA order was announced, requiring that all federal funds be administered by public officials in

¹From letter written August 30, 1932, by the Secretary of the Joint Emergency Relief Fund (Minutes of IERC meeting on September 9, 1932).

²Minutes of IERC meeting on September 9, 1932.

³Ibid., September 30, 1932. The chairman cast the only dissenting vote.

⁴Ibid., November 11, 1932. There were two dissenting votes.

⁵Ibid., December 22 and 30, 1932; January 6, 13, and 20, and February 13, 1933.

⁶Ibid., December 30, 1932.

⁷Ibid., November 11, 1932; February 6 and 13, 1933.

public agencies, both the Catholic Charities and the IERC sought a method of compliance that would not alter the position already taken. After the federal regulation was issued it was reported to the Commission that representatives of the Catholic Charities had made a direct agreement with the Federal Emergency Relief Administrator "that the relationship of the Commission to the agency should remain unchanged until Mr. Hopkins was able to visit Chicago to discuss the matter."¹ When a plan of compliance finally was adopted, based on the loan of private agency personnel, "it was stated that it was understood that the present arrangement did not abrogate or change in any way the previous agreement."²

The FERA regulation provided that the public agency could use the personnel of a private agency, provided that the personnel be fully responsible to the public agency, that such employees at all times report themselves to clients as public officials, that the office bear the name of the public agency, that all order forms be those of the public agency, and that all bills be paid directly by the public agency.³ The Commission made the Director of the Cook County Bureau of Public Welfare responsible for administration of relief to the clients of the Catholic Charities.

¹Minutes of IERC meeting on July 21, 1933.

²Ibid., July 31, 1933.

³FERA Rules and Regulations, No. 3, p. 2, Title C (July 11, 1933). Title "C" of the regulations provided that: "The public agency may make use of personnel of private agencies provided (1) Where such personnel is used for the giving of unemployment relief it becomes for the time being an integral part of the public agency. The public agency must assume full responsibility over personnel loaned by the private agency. (2) That visible evidence of the integration into the public agency is provided as follows: a. The name of the public agency clearly set out on the office door so that clients may know that they are applying to a public agency for relief. b. All order forms must be those of the public agency; receipts must be made out to the public agency; identification cards of relief workers must be as staff members of the public agency and relief workers at all times in handling unemployment relief clients must report themselves as public agents or officials. c. All bills for direct relief, wages for work relief, service or administration costs must be paid directly by the public agency; e.g., when grocery orders are issued by the relief worker the bills must be paid by the public agency directly to the grocer and not through a private agency. d. It is expected that on other matters than the determination of relief there will be co-operative relationships established between public agencies and private agencies, but the public agency shall not pay for supplemental services so rendered by private agencies."

He was instructed to make use of the personnel of that agency in accordance with the FERA regulations above enumerated.¹

Three months after this plan was adopted by the Commission the Director of the Cook County Bureau of Public Welfare submitted a report of progress in a meeting of the Commission attended by the Federal Emergency Relief Administrator. This report gave clear evidence of compliance with all particulars of the federal regulations governing loan of private agency personnel except the basic requirement that the personnel be under control of the public agency. As to personnel the report stated:

There has been no change in the plan which is the basis of the St. Vincent De Paul organization, i.e., the use of volunteer visitors, the parish being the unit. Certain cases are handled by paid workers directly from the general office. There appears to be a need for case work supervision through the addition of skilled social workers who shall begin their work by reading records, referring cases back to the parishes with request for specific information on doubtful points. This supervisory service would be advisory to the parishes. It is essential to an adequate control and should be the next step in development.²

The FERA regulations regarding private agencies was officially communicated to all County Emergency Relief Committees³ and not long after it had disposed of the problem of the Catholic Charities in Chicago the Commission was faced with the same problem in Quincy and in Springfield. In both these cities several private agencies, Catholic included, had been serving as agents of the local county committees. Following the FERA regulations both county committees favored placing administration of their funds completely under their own paid staffs. The Catholic agencies protested. At a meeting of the Commission representatives of both county committees and of the Catholic agencies of Quincy and Springfield were present and discussed the issue. The county committees were adamant and no final agreement was reached.⁴ Shortly thereafter the Commission, in order to be consistent in dealing with these downstate Catholic agencies, was obliged to

¹Minutes of IERC meeting on July 31, 1933.

²Ibid., October 30, 1933.

³IERC Official Bulletin, No. 80.

⁴Minutes of IERC meeting on September 29, 1933.

countermand the definite actions of both its Adams¹ (Quincy) and Sangamon² (Springfield) County Emergency Relief Committees by ordering them to make use of the personnel of the local Catholic agencies.

The above paragraphs recount the factual story as revealed in the minutes of Commission meetings. Both in the Commission and in the community this matter of using the relief machinery of the Catholic Church for administration of public funds was intensely controversial. Some explanation of the action of the Commission is given in a letter which went in reply to certain protests. In part the letter stated:

. . . . the record of the Society of St. Vincent De Paul in dispensing charity to Catholic families generally has been an excellent one. . . . our Commission has been criticized . . . because of our costs of administration. It has been insistently brought to our attention that the Catholic Charities were dispensing relief to several thousands of their own families at an administrative cost of approximately one-fifth of the amount being necessarily expended by the Commission employing trained workers and employees. The arguments . . . as to the economy . . . of the Central Charity Bureau influenced the action taken by the Commission to a considerable extent. The other statement given weight was the insistent argument advanced that the morale of the unemployed would be much less adversely affected if relief could be distributed and furnished by those whose religious and friendly connections gave them a more personal and intimate knowledge of the situation than would be possible if relief was furnished through a necessarily detached and less sympathetic agency.³

Criticism of expenditure of public relief funds by private agencies.--The clearest statement of criticism is found in the following resolutions adopted and presented to the Commission by the Board of Directors of the Council of Social Agencies of Chicago:

1. That it singles out one of several private family relief agencies for the fulfillment of a public responsibility for which a public family relief agency exists. . . .

¹Ibid., on December 8, 1933.

²Ibid., November 24, 1933.

³From a letter written by the Secretary of the Commission to the Bishop of the Episcopal Diocese of Chicago, December 31, 1932; quoted in full in Minutes of IERC meeting on January 6, 1933.

2. That it imposes upon the Cook County Bureau very serious obligations and responsibilities, particularly toward personnel, without granting control.
3. That the transfer of the personnel of the Central Charity Bureau to the Cook County Bureau of Public Welfare threatens to destroy the objectives of the Personnel Committee, Cook County Bureau of Public Welfare.
4. That the agreement could be ruled unconstitutional, for the Constitution of the State of Illinois, Article 8, Section 3, expressly forbids the voting of state funds for sectarian purposes.
5. That the plan, despite the safeguards with which it has been provided, allows opportunity for the exploitation of relief funds for institutional purposes.¹

More than a century of experience with public subsidy of private welfare services in the United States has demonstrated it to be unwise.² The principle that public funds should be spent by agencies of government was recognized by the IERC and the FERA. The use of the personnel of the Catholic Charities in conformity with FERA regulations involved certain important controls by the public authority, for which reason there was by no means an outright payment of public funds to the private agency. However, the actual integration of the centuries-old St. Vincent De Paul parish system of informal methods and volunteer personnel into a modern public assistance agency was a practical impossibility. The attempt to do so could only achieve the form of public administration while preserving the substance of public subsidy. The economy of untrained, volunteer personnel and the humanitarian advantage of religious consanguinity in the worker-client relationship have long been regarded as illusory by most social workers and public welfare administrators. This particular situation in Illinois was unavoidably involved, on both sides of the issue, with sectarian feelings. They only beclouded the fact that the IERC in this instance violated basic and widely accepted principles of public finance and public welfare administration.

¹Minutes of IERC meeting on August 21, 1933.

²For a competent, recent study of this question see Arlien Johnson, Public Policy and Private Charities (Chicago: The University of Chicago Press, 1931).

Conclusion

It would be unrealistic to expect to find model personnel practice in the state relief administrations during the early years of the depression of the 1930's. Several important factors in the program were inimical to it. One of these was a basic instability. The highly temporary conception of the need, shared in the beginning by almost every one, led to the belief that such things as a well-planned and continuing personnel program were unnecessary because the state agency would shortly cease to exist. As time went on and this conception was somewhat modified, there was some improvement in personnel practices. Although the need for an extensive public assistance program has proved an abiding one the radical shifts in program and the piecemeal financing which, prior to 1939, characterized public effort in the field of general relief, precluded any real stability of administration.

A unique factor was the confusion, general in the public mind, of the payroll with the relief roll. In this late day of public social service there lingers a tenacious and widespread belief that expenditure of any part of relief monies for administration is unnecessary and wrong. The idea is a vestige of medieval almsgiving. It was encountered not only in the IERC but in the legislature, the press and in public opinion at large. The fact that in public assistance, as in any other public service, economy and efficiency require substantial expenditures for administration, was only in part appreciated. The result was an adverse effect upon practices of induction, compensation, conditions of work and other aspects of personnel administration.

During the depression personnel practices in public and private employment alike generally lost ground. Most particularly were salaries and wages depressed. The early personnel practices of the IERC must be judged in the light of very hard times. Finally, it must be borne in mind that the IERC at no time had sufficient funds for fully adequate relief allowances and more than once was obliged to cut relief below an absolute minimum standard due to shortage of funds.

Although not governed by the state civil service law the Commission steadfastly adhered to a merit basis for all its employees and insisted upon scrupulous honesty in their performance. Although that is the least that the public should expect

of its servants, it often is not the case, and praise is due the IERC for this fundamental integrity.

CHAPTER IV

THE PUBLIC RELATIONS OF THE IERC

Public Opinion and Unemployment Relief

Due to circumstances largely beyond the control of the Commission the emergency relief program in Illinois did not receive general popular support. In the state legislature, in the daily press, in the organizations of the unemployed and among the general public the Commission was the object of more or less constant criticism. This criticism was sometimes bitter and often poorly informed. There were many individuals throughout the state who understood the difficulties of relief administration and were staunch friends of the IERC; such was the case with most fairminded persons who had the opportunity or took the trouble to become well informed. The IERC doubtless had many friends also among the relief clients as the result of sympathetic and careful administration of relief.

The IERC did not, however, have the support of any vocal or effective body of public opinion. The opponents of the state relief administration had the field largely to themselves. After the federal government withdrew its substantial financial assistance the General Assembly lost little time in transferring administration of state relief money from the IERC to the local poor law officials. Had it not been for the support of the FERA, state administration of unemployment relief in Illinois might have come to an even earlier end.

Some factors may be noted which help to explain the unpopularity of the IERC and the relief program. Public assistance to the unemployed probably has a more difficult problem with respect to public relations than any other branch of governmental service. A public business service like the United States Mail, and protective services such as our fire and police departments, enjoy the appreciation and willing support of all the citizens. Government regulation of such things as banks and factories, for example, although not always appreciated by those who must submit to regula-

tion, are generally understood and approved by the public. Even in the realm of public social service most citizens are now sympathetic toward governmental aid for children, old people and persons handicapped by sickness or other infirmity. But toward any public program for charitable assistance to persons who can work the general public is fundamentally unsympathetic.

This public attitude has a history which goes back beyond the earliest public poor relief in America to the break-up of feudal society and the rise of the industrial system in England. Ever since the English Poor Law took form at the close of the sixteenth century there has been one public attitude toward the "impotent" poor and another toward the "able-bodied."¹

Enforced unemployment has always been, in varying degrees, a concomitant of our urban, industrial society. Always grudgingly have we assumed the public responsibility of this society for assistance to those whom it denies an opportunity to earn a living. It is not that we are inhumane but that we have clung to an ideal of individual responsibility while the individual has become increasingly helpless to control his own affairs. Most citizens are sympathetic toward particular cases of unemployment which are known to them but do not extend their sympathy to the general mass of the unemployed.

The general public attitude toward unemployment relief has within it certain particular ideas. Among them is the idea that the unemployed do not want to work. That is always true of a small fraction of the unemployed. Another idea is that relief breaks the independent spirit of the recipient--"pauperizes" him. It is true that dependency is damaging to individual morale, but this can be minimized by skillful administration and at any rate relief is less damaging than extreme privation. Still another idea is that with sufficient effort anyone can find work. This is simply a denial of the general job shortage which is as evident as anything can be. Other common ideas are that relief from public funds is inherently bad, that relief should be less than sufficient for decent maintenance, that relief costs too much to administer, and so on. All of these are elements in the public

¹Cf., Sidney and Beatrice Webb, English Poor Law History, Part I: The Old Poor Law (London and New York: Longmans, Green & Co., 1927).

attitude toward unemployment relief. Furthermore, they have time after time proved unsound in more than three centuries of experience with public poor relief.

The fact that the state and federal governments took a hand in financing and administration also served to increase the unpopularity of the emergency relief program. The belief that poor relief was the proper duty of local government was traditional and very strong. Only with great reluctance and under extreme pressure did the higher governments enter the field. Even after state and national relief had become a fact an important section of public opinion continued to believe it wrong in principle. Being thus regarded as a necessary evil the emergency relief program was put in an unfavorable position with respect to public relations.

It is also important to recall in this connection that enormous public expenditure for emergency unemployment relief became an added burden of government at a time when hard-pressed taxpayers were everywhere demanding retrenchment in public expenditure. No small part of the unpopularity of the relief program may be traced directly to the taxpayer's concern for his own pocketbook. The outlay for relief could have been regarded as an investment but actually it was viewed as an outright expense.

Not only was emergency relief unpopular with the general public and the taxpayers; it was, if not unpopular, at any rate unsatisfactory to the needy unemployed themselves. Their dissatisfaction resulted, understandably enough, from the inadequacy of relief grants and from the repulsion of a dependent status. During much of the period of state relief administration in Illinois, and for a majority of relief clients, allowances were relatively adequate, but even an adequate relief grant is, for the vast majority of the unemployed, a distasteful substitute for independent earning.

The public attitudes toward public relief, such as have just been suggested, constitute a basic handicap for any public unemployment relief agency. No matter how hard the agency may try, by efficient administration and conscious good will measures, to gain public acceptance and appreciation, it will suffer from these basic difficulties. Thus the IERC, when it came to public relations, had the cards stacked against it.

However, it cannot be contended that the unpopularity and untimely end of the first state relief administration in Illinois were due entirely to prejudiced public opinion. There were other important reasons. Serious mistakes were made in the administration of the IERC program which contributed to its unpopularity. Important administrative positions were sometimes filled by persons unqualified to handle the public relations aspects of those positions. The organization held a defensive attitude toward public opinion and lacked a positive program for interpretation of its work to the public. Case work methods were applied with inadequate skill and without proper modification for families whose need was predominantly financial. Such faults in administration were not without their effect upon public relations.¹

The IERC program constituted a threat to the old system of poor law relief in Illinois. There are more than 1,500 township supervisors in the state and most of them are overseers of the poor. Most of them were opposed to the IERC. They are organized and influential, especially in local political circles. Their views were impressed upon many members of the Illinois General Assembly. This opposition of the township supervisors unquestionably contained a strong element of political and vested interest in the poor law system. It was a considerable factor in the unpopularity of the state relief administration.

Similar to the opposition from the poor law officials was that from many politicians who resented the protection of relief payrolls and relief grants from partisan influence. Thinking in the accustomed terms of spoils politics some of them concluded that relief employees, especially social workers, were building up a huge job "racket" of their own. Something of this sort probably lay back of much of the opposition to the unemployment relief program on the part of persons in political life.²

Organizations of the Unemployed

Before the IERC was created organizations had grown up

¹Infra, pp.152-153, for further discussion of these matters.

²Cf., William Haber, "Social Work and Politics," Survey Mid-Monthly, May, 1938.

among the unemployed. These organizations gained considerable strength and came to focus their attention on the inadequacies of relief administration. They were commonly called "pressure groups." It has been pointed out that they were essentially signs of protest against the cruelty of mass unemployment and as such had their counterparts in previous periods of abnormal unemployment, such as the bread riots of the 1830's and Coxey's Army in 1894.¹

The Unemployed Councils.--Two such groups became especially prominent in Illinois and throughout the country. One was the Unemployed Councils and the other the Worker's Alliance. The Unemployed Councils had their beginning early in 1930 in New York City as an adjunct of the Communist Party. The organization rapidly spread to other cities and soon got a reputation for violent and disorderly tactics.² During 1931 when relief was still a purely local responsibility the Unemployed Councils were active in Chicago. They made the headlines in connection with forcible resistance to the eviction of an old negro woman on the south side of the city. There was a riot and three persons were killed, allegedly by police bullets.³

The Unemployed Councils soon made themselves known to the IERC and were active throughout the period of state responsibility for relief. In the summer of 1932 the Councils claimed to have 59 branches in Chicago with a total membership of 10,000, of which 85 per cent were receiving relief from IERC funds.⁴ To what extent branches of this organization existed in Illinois outside Chicago is not known; there were some but probably not many. The Unemployed Councils had their greatest success in the early and most chaotic years of the depression. They lost ground as relief provisions became more adequate and by 1936 had collapsed as a

¹See Helen Seymour, When Clients Organize (American Public Welfare Association, 1937), p. 2.

²Ibid., p. 3.

³Jack Martin, On Relief in Illinois (A pamphlet published by the Pen and Hammer [Communist] Club, Chicago).

⁴Statements made by representatives of the Unemployed Councils of Chicago in a hearing before a subcommittee of the IERC, July 30, 1932 (transcript in the files of the IERC).

national movement.¹

The Worker's Alliance.--The Illinois Worker's Alliance originated under Socialist auspices in Chicago, late in 1931. Early that year members of the Socialist Party and the League for Industrial Democracy in Chicago formed the Chicago Worker's Committee on Unemployment. The purpose was to stimulate action on the mounting problem of unemployment.² One member of this group, a Methodist minister, called a number of jobless persons from his neighborhood together in his church basement one evening in September, 1931, to discuss the matter of organization. The unemployed themselves welcomed the leadership for organization. Other similar groups were rapidly set up and met at various social settlement houses in Chicago. Each group became a local of the Chicago Worker's Committee on Unemployment. Control was put in the hands of a Central Committee composed mostly of elected representatives of the local units. The members of the originating committee--persons who were not manual or unemployed workers--relinquished their voice in management of the rising organization in favor of democratic control by the unemployed themselves. They then formed the Advisory Committee which continued to lend prestige, counsel and backing to the organization of the unemployed.

In August, 1932, the Chicago Worker's Committee on Unemployment claimed to have 38 local branches in Chicago with a total membership of between ten and twelve thousand.³ The Chicago Worker's Committee served as a model for similar organizations which soon developed elsewhere. In November, 1932, it was instrumental in the holding of a conference in Chicago attended by delegates from kindred groups in a number of mid-western states, out

¹Seymour, op. cit., p. 9.

²The original Chicago Worker's Committee on Unemployment was not made up of manual workers but of intellectual liberals and socialists, some of them prominent citizens of Chicago. R. E. Asher, "Influence of Worker's Committee on Relief Administration, 1931-1934" (Unpublished Master's thesis, University of Chicago, 1934).

³Statements made by representatives of the Chicago Worker's Committee on Unemployment in a hearing before a subcommittee of the IERC, August 2, 1932 (transcript in the files of the IERC).

of which grew an early attempt at federation.¹

Organizations elsewhere in Illinois took the philosophy and pattern of the Chicago Worker's Committee and in December, 1933, a state-wide organization known as the Illinois Worker's Alliance was formed. This organization of the unemployed is authoritatively credited with having been "the strongest one in the middle west."² Similar organizations were formed in New York and other parts of the east under liberal and socialist leadership. In March, 1935, delegates representing some five hundred locals in sixteen states met in conference at Washington, D. C., and formed the Worker's Alliance of America.³

The early communistic organizations of the Unemployed, always antagonistic to the more moderate groups of the Worker's Alliance type, waned in strength until, in 1936, most of them accepted affiliation with the Worker's Alliance of America.⁴

In Illinois, both in and outside of Cook County, there was an undetermined number of unemployed organizations not affiliated with either the Worker's Alliance or the Unemployed Councils.

Aims and activities.--Both the Unemployed Councils and the Worker's Alliance began under the auspices of radical political parties, the former Communist and the latter Socialist. They continued, in theory, to represent and espouse the political tenets of those parties. However, the appeal of radical doctrine as a basis for organizing the unemployed was not very successful. The interest of relief clients was centered on their own individual and immediate needs for work or, failing that, for more adequate assistance. The organizations therefore became primarily intercessors for their members with the relief authorities and advocates of more adequate public provision for the unemployed.

Their chief activity was the handling of complaints of individual clients and in doing this they presented an important administrative and public relations problem to the IERC and its local offices. They also advocated changes in relief policy such

¹Asher, op. cit.

²Seymour, op. cit., p. 7.

³Beginning in 1935 the Chicago Worker's Committee on Unemployment changed its name to the Illinois Worker's Alliance of Cook County.

⁴Seymour, op. cit., p. 9.

as full payment of rent, cash relief, and participation of the unemployed in relief administration. They were early proponents not only of federal aid for direct relief but also of unemployment compensation and expanded public works, including slum clearance.

The use of forcible tactics, particularly by the communist-led groups, caused antagonism on the part of the relief authorities and the community. Mass demonstrations at relief offices sometimes brought operations to a standstill. Police were often stationed at the offices to preserve order, a measure regarded as unavoidable by the relief offices if their business was to get done and their personnel protected, but strongly resented by the organized unemployed.

Activities outside Cook County.--In the early summer of 1934 the organized clients twice visited the County Relief Administrator at Edwardsville, Illinois (Madison County) and belligerently demanded relief increases for which there were no funds. Following this a mass meeting of organized groups from surrounding towns was planned for Edwardsville. Aroused and fearful the community had itself patrolled by extra local police and state highway patrolmen on the day set for the meeting. Some of the out-of-town unemployed arrived but quickly returned and no meeting was held. Subsequently organized activity subsided in Edwardsville.¹

Agitation of organized unemployed in Macoupin County in August, 1934, resulted in several arrests in the town of Virden and disruption of a meeting and beating up of the leaders by citizens in the town of Staunton. After a week of peaceful picketing of the McLean County Relief Office in Bloomington a mob of several hundred gathered on November 30, 1934, and were prevented by police from storming the office. After being closed for several days the office reopened with all clients temporarily prohibited from entering.

In Montgomery County, in the spring of 1934, violent demands were made upon the relief office for a 50 per cent increase in relief and the staff was demoralized by incessant pressure with regard to individual complaints by the organized unemployed.

¹Field report in the files of the IERC.

The homes of all members of the County Emergency Relief Committee were picketed until the committee capitulated, voted approval of all demands made, though there was not money to fulfill them, and then resigned in a body. The result was temporary closing of the relief office, formation of a citizen's vigilante group and the arrest of leaders of the unemployed. Although not more than 10 per cent of the relief clients in Montgomery County had ever joined the organization, community reaction to the organized disorder was against relief clients in general. Progress toward adequate relief standards in the county received a serious setback.

Activities in Chicago.--In Chicago violent action was most common in the early months of the IERC and was predominantly the work of the communist-led Unemployed Councils. Violence was exhibited principally at the district relief stations. A report on riots occurring at the Chicago stations during the first year of the IERC listed 105 separate incidents for that period.¹ Participants in these incidents ranged from a mere handful to several hundreds of persons. In many instances the mobs forced their way violently into the stations, disrupted business and had to be dispersed by the police. A total of 211 arrests were made. Demands made usually concerned relief policy but sometimes had to do with individual cases. The disturbances were most numerous in October, 1932, when a fund shortage forced a cut in relief allowances, and in January, 1933, when a policy of denying access of the organized groups to the district offices was adopted. All but 2 of the 105 disturbances were led by the Unemployed Councils.

A rather common occurrence in Chicago was forcible resistance to eviction proceedings which often resulted from exclusion of rents from relief budgets. The unemployed organization, learning of some poor person whose home furnishings were being set on the street, would mobilize a large group and replace the furniture in the house, with or without co-operation from the evicted family.² Utility services were defiantly reconnected in homes where

¹Report on Riots, February 6, 1932-January 31, 1933 (files of the IERC). A riot was defined as "a concerted attempt by two or more persons at coercion through physical means."

²Edith Abbott and Associates, The Tenements of Chicago, 1908-1935 (Chicago: University of Chicago Press, 1936), pp. 437-438.

the companies had shut them off.¹ Several parades and "hunger marches" took place. These were carefully watched by the police and were peaceable. The Chicago Worker's Committee on Unemployment organized what was perhaps the largest of the parades, on October 31, 1932. It was to be a non-political affair, joined in by all organizations of the unemployed. But the Unemployed Councils "broke faith" and gave the parade a communistic appearance. From then on feelings were bitter between the two groups and the Worker's Committee was more cautious.

The Chicago Worker's Committee in addition to direct action methods sought by conservative tactics to enlighten the public as to the plight of the unemployed. Several series of public hearings on unemployment and relief were organized. The dependent unemployed were asked to come in and make any statements they wished regarding their experience as unemployed persons and relief clients. Considerable newspaper publicity was given these hearings and they undoubtedly helped to make an indifferent public aware of both the human tragedy of unemployment and the inadequacies of relief administration. The Worker's Committee also sent representatives to testify before legislative committees in Springfield and Washington.

Relationship to the Commission.--Both the Unemployed Councils and the Chicago Worker's Committee appeared before meetings of the Commission. In the four and one-half years that the IERC was responsible for relief administration the Unemployed Councils of Cook County made seven² and the Chicago Worker's Committee on Unemployment made eight³ appearances. The Worker's League of Chicago appeared once⁴ and the Illinois Worker's Alliance, with representatives from nine different counties, made one appearance.⁵ In addition to these formal hearings before the Commission itself

¹Asher, op. cit., p. 22.

²Minutes of IERC meetings on: August 19, 1932; November 4, 1932; September 29, 1933; June 29, 1934; August 2, 1935; March 13, 1936.

³Ibid., August 19, 1932; November 4, 1932; October 6, 1933; May 18, 1934; June 28, 1935; October 18, 1935; March 13, 1936; May 19, 1936.

⁴Ibid., November 4, 1932.

⁵Ibid., September 14, 1934.

these groups conferred at various times with the executive secretary and other executive officers.

When hearings were first requested by the organized unemployed the Commission provided for a subcommittee of its own membership to meet with them.¹ After the summer of 1932 that device was abandoned and the delegations received in the regular meetings of the Commission. Rarely, if ever, did the Commission refuse the request of any group to appear before it.

Early experience with these hearings proved them to be very time-consuming so it became general practice to limit the time for each hearing--sometimes to half an hour. The organizations usually brought several members to a hearing, each of whom was assigned a specific subject on which to address the Commission, and additional members who either did not speak at all or only very briefly when called upon to testify to some personal experience. Ordinarily the speakers were allowed to proceed without interruption but occasionally there was interrogation and argument.

The presentations were nearly always in the form of protests or demands. Sometimes these fell outside the scope of IERC authority.² On matters which were within the province of its authority the Commission usually did not give immediate reply but took them under advisement. Frequently they were discussed later in the same meeting or at a subsequent one and a formal reply addressed to the group.

The psychological relationship between the Commission and the organizations of the unemployed was interesting. On both sides the relationship was strained and somewhat antagonistic. The organizations believed that the clients had the greatest stake in the relief program and, in accordance with democratic procedure, were entitled to an important voice in the shaping and administration of it. The Commission, on the other hand, reflecting general public opinion, viewed the clients as objects of charity who were naturally prejudiced in their views on relief policy. It did not

¹Ibid., July 8, 1932.

²For example, demands were made that all evictions be stopped, that homes owned by the unemployed be secure against mortgage foreclosure and exempt from taxation, that the pauper affidavit (required by law) be discontinued, et cetera.

recognize any right of the unemployed in connection with relief administration beyond the common right to present their grievances and express their views.

There was a noticeable difference between the relationship of the Commission to the Unemployed Councils and the Worker's Alliance. The former were under suspicion because they were communists, because they had a reputation for using violent tactics, and because they usually were belligerent before the Commission. It was suspected, not to say assumed, that their basic interest as an organization was not in the unemployed but in the radical aims of the Communist Party.

The Unemployed Councils were under constant observation by the "red squad" of the Chicago Police Department. On leaving one meeting of the Commission their delegation had a loud scuffle with the police who forcibly escorted them from the building. According to the leader of the delegation the police laid hands on him as he was peaceably leaving and when he attempted to return to the Commission meeting room to be assured of safe conduct from the building the police forcibly placed him on the elevator.¹

The Chicago Worker's Committee on Unemployment (Worker's Alliance of Cook County) in the beginning used violent and mass tactics, sometimes in co-operation with the Unemployed Councils, and were regarded askance by the Commission. But as time went on they depended more and more upon vigorous but peaceable methods of conference and conciliation. The Worker's Alliance had leaders who were generally known to be able and sincere. They also had an advisory committee composed of liberal citizens who were among the most respected humanitarians in Chicago. They were known to be opposed to the Marxian leadership of the Unemployed Councils and in their hearings before the Commission they were, although very outspoken, usually moderate and anxious to be sure of their facts. The IERC never went so far as actively to seek the advice and counsel of the Chicago Worker's Committee but the Commission did come to listen intently to what its delegations had to say, especially on one or two occasions when those delegations included members of the advisory committee.

¹Letter from Karl Lockner to the IERC, June 30, 1934 (files of the IERC).

Significance of the organizations of the unemployed.--It is impossible to appraise exactly the positive influence of the unemployed organizations on relief planning and administration in Illinois. For the country as a whole an earlier study has drawn two general conclusions. One is that with respect to both general provision for relief and the treatment of individual cases the organizations improved the lot of the unemployed. The other is that the gains were substantially less than they might have been had the organizations been less violent in their methods and more understanding of the structure and process of relief administration.¹

The agitation of the organizations in the first years of the depression served to dramatize the seriousness of mass unemployment and make the suffering real to the public. It also gave good grounds for fear of disorder that might come if adequate relief was not provided. The Illinois General Assembly felt this influence when it made the first state appropriation for relief in February, 1932. The Chicago Worker's Committee held the first of its series of public hearings on unemployment in December, 1931. The findings were "startling" and well publicized by Chicago newspapers. One student has said that "anyone who has reviewed the newspapers of those days cannot help but feel that the hearings did help to arouse public sentiment" for state aid.² The organized voice of the unemployed was likewise a factor in bringing the first federal aid for unemployment relief in the summer of 1932.

Some changes which took place in the administration of relief in Illinois fulfilled demands which had previously been made by the unemployed organizations. Among such changes were the liberalization of allowances for rent and the inauguration of the policy of cash relief. It cannot be shown however that any such changes were in direct response to demands of client organizations. Nevertheless the constant pressure which they exerted was one factor in bringing about these changes.

The demand of the unemployed organizations for a share in the responsibility of relief administration made almost no headway in Illinois. An advisory committee representing the organizations was once set up to meet with officials of one district re-

¹Seymour, op. cit., chap. 111. ²Asher, op. cit., p. 17.

lief station in Chicago.¹ One of the district representatives once attempted to hold consultations regarding relief policy with the unemployed groups in one of the coal mining counties.² The effort was brief and unsuccessful, partly on account of community antagonism toward the organized unemployed.

After responsibility for relief administration was transferred from the IERC to the townships in July, 1936, one populous township³ turned administration over to the unemployed organization. Most of the paid positions in the township relief office were filled by organization members. This arrangement was still in effect on January 1, 1939. The resultant relief administration was not superior in any respect to that of the ordinary township overseer of the poor. Clients often were treated partially and unsympathetically. The organization did not succeed in increasing its membership or otherwise gaining strength.⁴

It would have been disappointing indeed if the millions of American workers who lost their jobs in the depression had accepted their fate without any organized protest. From that point of view the organizations were a healthy sign. They were terribly handicapped, especially in smaller communities, by the lack of astute and well-informed leaders. They were handicapped by the unstable make-up of the relief population, by confused objectives, by community opposition and by an almost total lack of financial resources. They had many handicaps.

Since relief administration in Illinois became the responsibility of 1,454 local governmental units the energies of client organizations have been so scattered as to lessen markedly their effectiveness. They were also dealt a severe blow by the WPA program which, in employing the more competent of the jobless, drew off many of the organization leaders. The organizations have, however, continued to be an important factor in urban centers, particularly in Cook County, and they are active in the WPA. It is safe to say that as long as there remains a need for extensive general relief organizations of clients will remain also.

¹Infra, p. 129.

²Macoupin County.

³Granite City Township, Madison County.

⁴Interview with IERC District Certification Agent, May 2, 1939.

Individual Complaints

The term "individual complaints" is here used to include all dealings with regard to individual relief cases other than those which take place directly between the client and caseworker in the normal process of relief administration. Although only a small minority of all cases under care ever registered complaints, every day there were hundreds of appeals made concerning dissatisfaction of particular clients with treatment received from the relief agency. These appeals came by letter, by telephone and by personal appearance; they were presented by the client himself or by some individual or organization acting for (or against) the client; and they came to all offices and officials connected with the unemployment relief program, from the President of the United States down.

Individual complaints and organizations of the unemployed.---The principal activity of the organizations of the unemployed was the handling of individual complaints. Most of the members of the organization were attracted by its offer to intercede with the relief authorities on behalf of individual clients. Complaint work became the life blood of many of the organizations. The Chicago Worker's Committee on Unemployment developed a systematic procedure. There was a grievance committee in each of its local units. This local committee received complaints from its area and subjected them to a sifting process to eliminate those which did not merit taking up with the relief authorities. A complaint had to be meritorious, be susceptible of adjustment within prevailing relief policies, and be first unsuccessfully taken up by the client with the relief station. Complaints accepted by the local committee for handling were entered on a standard form and signed by the client.¹

During 1932 the unemployed organizations in Chicago were able to take their individual grievances directly to the district relief stations. With this easy access to the relief offices at a time when the emergency relief machinery was very new and many oversights and errors were unavoidable, the organizations did a

¹Walter C. Hart, "Relief--As the Clients See It" (Unpublished Master's thesis, University of Chicago, 1936), pp. 19-20.

rushing business in grievance adjustment and rapidly built up their membership. However, the frequent intrusion of grievance committees was from the first a serious impediment to the efficiency of the relief stations. The situation was greatly aggravated by the deliberately violent tactics of the Unemployed Councils. During 1932 efforts were made to systematize and control the direct contact of the organizations with the relief stations.

In one district an advisory committee including representatives from each of the unemployed organizations was set up to meet monthly with the officials of the station. The plan was not unsuccessful but was short-lived.¹ This experiment is of especial interest because it implied recognition of the right of the organized unemployed to a voice in relief administration.²

Another effort to control the situation was an agreement with the Chicago Worker's Committee on Unemployment to recognize at the stations just one properly designated representative from each local of the CWCU to negotiate individual grievances.³ The CWCU recognized the necessity of conserving the time of the relief stations and this plan continued in operation for some six months. Had the Unemployed Councils done the same direct contact with the stations might have continued indefinitely. As it was, interference with routine continued to be so serious that prohibition of any contact with the organized groups became imperative for efficient functioning of the relief offices.

In January, 1933, a central Public Relations Office was established and the unemployed organizations in Chicago required to present all grievances there.⁴ This arrangement, together with the increasing efficiency of the relief machinery, lessened the efficacy of the organizations in connection with individual complaints and consequently reduced their membership and strength. They objected strenuously but the plan never was changed.⁵

¹Ibid., p. 18.

²Asher, op. cit., p. 25.

³Ibid., p. 26; Hart, op. cit., p. 18.

⁴Official communication from Director, Cook County Bureau of Public Welfare to all district supervisors, January 14, 1933 (files of the IERC).

⁵Asher, op. cit., p. 27.

Relief offices in downstate counties had a similar experience with organizations of the unemployed. In Sangamon County (Springfield), for example, the case workers were unable to get their regular work done because grievance committees demanded unreasonable time both in the county office and in outlying towns. The county administration was obliged to prohibit direct dealings between committees and case workers and to provide that committees would be received only at the county central office by appointment and after filing in writing of the complaints or other matters intended to be discussed.¹

Handling of complaints.--The principal agency for handling complaints on individual cases was of course the local relief office, both in Cook County and downstate. There never was any significant restriction put upon the freedom of clients to complain on their own behalf at the relief offices. With worker case loads so high that frequent family visiting was impossible, which was often the case, families were commonly obliged to make their needs known by registering complaint at the office. The volume of complaint work bears a close relationship to the adequacy of the case work staff.² The adjustment of complaints coming directly to the local relief offices was an integral part of the work of those offices.

Many complaints and inquiries also came to the headquarters' offices of the relief administration in Chicago and Cook County. Prior to 1934 the Cook County Bureau of Public Welfare and the Unemployment Relief Service each had a unit at their central offices which handled both complaints and inquiries. Complaints on individual cases were referred or forwarded to the district offices. These two units were consolidated in 1934 under the Cook County Relief Administration and became known as the Administrative Complaint Unit. Its function was not restricted to complaints on relief cases.

¹Report in the files of the IERC.

²When case loads are too heavy the case worker not only has more families than can be visited frequently but has less time to spend in visiting due to frequent calls of clients at the office. With an extremely high case load family visiting thus becomes impossible. The result is that client dissatisfaction increases, the most vocal clients get the most attention, and the office itself becomes disorganized.

Several thousands of complaint letters were received each month at the state headquarters of the IERC. Those coming from Cook County were handled by the Special Service Bureau, established at IERC headquarters in 1932. Complaints on individual cases as a rule were simply forwarded to the proper district offices.

Individual complaints received in the state office from counties other than Cook were handled by the Social Service Department of the Commission. Each letter was forwarded to the proper County Relief Administration with the request that reply be made directly to the person who wrote the letter and a copy sent the State Social Service Department. When the State Field Office was established at Springfield in 1935¹ many individual complaints from downstate counties began to arrive there. At the start these were forwarded directly to the counties but later were sent to the State Social Service Department for uniform handling.

In January, 1933 the Public Relations Office was established in Cook County for the special purpose of dealing with individual complaints submitted by the organizations of the unemployed in Chicago. The subcommittee of the IERC for dealing with the unemployed organizations² had suggested this arrangement several months earlier.³ It finally had to be done to save the time of the stations and to avoid disproportionate attention to those complainants for whom the unemployed organizations happened to intercede. Late in 1935 the complaint machinery in Cook County was consolidated by absorbing the Special Service Bureau and the Administrative Complaint Unit into the Public Relations Service.⁴

The Commissioner of Complaints.--The IERC of course had no responsibility for investigation of relief complaints after state administration of relief was discontinued on July 1, 1936. However, in 1937 the following statutory provision was enacted:⁵

¹Chap. 11, p. 33.

²Supra, p. 124.

³Minutes of IERC meeting on August 19, 1932.

⁴Cook County Relief Administration, Bulletin No. 2636 (Nov. 8, 1935).

⁵Laws of Illinois, 1937, p. 275.

It shall be the duty of the Commission to appoint a special Commissioner to hear complaints and whenever an aggrieved recipient of relief shall file complaint against any supervisor, case worker, or other employee of any local or State relief agency in any matter wherein administration of relief is involved, it shall be the duty of such Special Commissioner to hear evidence and determine said complaint. Said Special Commissioner shall hold public hearings of such complaints at least once a week and shall keep a public record of such hearings and of the decisions of such Special Commissioner, and the decision shall be in writing.

The Commission appointed the State Field Representative to serve as Commissioner of Complaints.¹ The effect of the provision for the new Commissioner was of little practical importance. It gave no authority to the IERC to adjust complaints; and no new function was given the State Field Representative who had been receiving individual complaints and forwarding them to the townships for some months before the office of Commissioner of Complaints was created. This official continued to serve as a forwarding center for a considerable number of complaints sent to the Governor, the IERC, the President of the United States and other officials and agencies. The usual procedure was to acknowledge the complaint to the writer and forward it to the proper local relief authority. The Commissioner of Complaints also received clients, delegations of local officials and others who came in person to the State Capitol to discuss relief matters. He submitted weekly summaries of his work to the executive secretary and a monthly tabulation of items handled to the Commission.²

Type and volume of complaints.--Available figures on the number and type of individual complaints made by clients of the IERC are fragmentary. Table 9 and Table 10 classify complaints handled during limited periods in 1934 and 1935 by the State Social Service Department and the Public Relations Bureau, respectively. Although these two sets of figures are not wholly compa-

¹Minutes of IERC meeting on October 15, 1937.

²For example: During December, 1938, the Commissioner of Complaints received 637 letters 419 of which were classified as individual complaints and 218 as miscellaneous inquiries; forwarded 693 complaint letters to local relief authorities for attention; heard 22 persons who called at the Governor's office regarding individual relief needs; held 17 office and 27 outside conferences on relief matters with various groups and delegations (Report of Activities of State Field Representative and Commissioner of Complaints for December, 1938, in the files of the IERC).

rable certain general conclusions may be drawn.

TABLE 9

CLASSIFICATION OF COMPLAINTS RECEIVED BY THE IERC
DEPARTMENT OF SOCIAL SERVICE AGAINST RELIEF
ADMINISTRATION IN DOWNSTATE COUNTIES,
SEPTEMBER 1 TO OCTOBER 31, 1935*

Type of Complaint	Number of Complaints	
Total.....	1,998	1,998
Inadequate relief.....	860	
Food.....		345
Clothing.....		203
Rent.....		144
Medical and dental.....		98
Household goods.....		29
Miscellaneous.....		41
Relief requested.....	863	
Relief withheld.....		645
Case closed.....		150
Supplementary relief.....		68
Administration.....	201	
Worker relationship.....		53
General dissatisfaction.....		36
Work relief unpaid.....		27
Orders delayed.....		20
Miscellaneous.....		65
Non-IERC responsibility.....	74	
Employment wanted.....		42
Poor Law relief.....		13
Miscellaneous.....		19

*From monthly reports of IERC Social Service Department on complaint and inquiry letters received from downstate counties (files of the IERC).

Most noteworthy is the fact that complaints were predominantly concerned with insufficiency of material relief. In Cook County (Table 10) where food allowances were relatively high the items most commonly referred to were clothing and rent needs. For Downstate (Table 9) the item most often mentioned was food,

which was not because clothing and rent allowances were more liberal than in Cook County but because food allowances generally were much lower.

TABLE 10

CLASSIFICATION OF GRIEVANCES FILED WITH THE CHICAGO
WORKER'S COMMITTEE ON UNEMPLOYMENT AGAINST
FIVE PUBLIC RELIEF AGENCIES IN COOK COUNTY,
AUGUST 1, 1934 TO JANUARY 1, 1935*

Type of Grievance	Number of Grievances	
Total.....	1,324	1,324
Material needs.....	1,018	
Clothing.....		240
Rent.....		165
Delays in material needs.....		162
Food budget inadequate.....		107
Coal and other fuel.....		62
Gas.....		50
Household needs.....		45
Medical care.....		45
Electric light.....		45
Stoves and heaters.....		43
Shelter in general.....		20
Grocery order.....		10
Miscellaneous.....		24
Verification difficulties.....	72	
Employment.....		34
Miscellaneous.....		16
Resources.....		9
Personal.....		8
Relatives.....		5
Work relief.....	103	
Supplementation.....		47
Requests for work.....		43
Difficulties on work.....		13
All other types.....	131	
Relief applications.....		72
Relief stopped.....		49
Worker relationships.....		10

*Taken from Hart, op. cit., chap. 1.

It will also be noted that complaints of inability to obtain relief at all were apparently a larger portion of the total from Downstate than from Cook County. To what extent this is due to lack of comparability of the figures or to actual differences in relief policy and administration as between Downstate and Cook County is impossible to say.

The State Social Service Department worked out a kind of monthly complaint rate for the downstate counties based upon the number of complaints received from the county per thousand cases on relief there. The practical usefulness of this rating was limited but some reflection was obtained of the adequacy and efficiency of relief administration county by county.¹ A large number of complaints of a particular type sometimes indicated particular difficulty in a county as, for example, ineffective performance of an individual case worker.

Table 11 classifies a typical group of complaint letters according to the persons or agencies to whom they were originally

TABLE 11

PERSONS AND AGENCIES TO WHOM COMPLAINT LETTERS
RECEIVED BY THE IERC DEPARTMENT OF SOCIAL
SERVICE WERE ORIGINALLY ADDRESSED,
SEPTEMBER 3 TO 14, 1935*

Addressee	Number of Complaints
Total	562
Governor of Illinois	252
IERC, State Headquarters	71
President of United States	70
IERC, State Field Office	44
IERC, Chairman	39
Federal Relief Administrator	32
FERA	25
IERC, Executive Secretary	12
Wife of President of United States	9
Others	8

*From a study of complaints received by the Social Service Department from downstate counties, September 3 to 14, 1935, (files of the IERC).

¹A Study of Complaints Received by the Social Service Department from Downstate Counties, September 3 to 14, 1935 (files of the IERC).

addressed. Most of the complaints handled by the central IERC office were not addressed to the IERC by the complainant. One phase of the complaint work was making reports to the source of referral. The general policy was to make such reports only when requested to do so by the referring source.

The majority of individual complaints reflected only the general inadequacy of relief provisions and therefore could not be adjusted to the full satisfaction of the complainants. One thorough study of a large group of complaints handled by the Public Relations Bureau concluded

. . . . that because of the insufficient funds available for relief, the needs and services asked for by clients could not be furnished and therefore dissatisfaction was created. Rules causing inadequacies of material help and of services offered, could not be changed or altered to meet proper standards and emergent needs, for this reason.¹

Many complaints which did allege injustice or faulty administration were found on investigation to be untrue. The individual complaints which merited and were susceptible to adjustment were but a fraction of the total received. However, there always were some which were meritorious and from the viewpoints of both public relations and case work all complaints deserved and received investigation.

The IERC and the Newspapers

Newspaper attitudes toward public unemployment relief.--Public programs for the relief of unemployment were given a vast amount of space by newspapers everywhere. Illinois was no exception and in almost every issue of each large daily some mention of public relief appeared among the news items, feature articles, editorials, cartoons, pictures, or letters from readers. This was true because the great problem of unemployment was of general public interest--it had "news value."

The fullest and most accurate newspaper treatment probably

¹Hart, op. cit., p. 108. This is a study of complaints negotiated by the Chicago Worker's Committee on Unemployment with the Public Relations Bureau during the last five months of 1934. It analyzed 554 complaints, submitted by 384 different clients and involving 1,324 separate grievances, as to type of grievance and disposition made by the relief authorities.

was given to the broad dimensions of the relief problem. There was a general interest in the extent of unemployment, in the public measures adopted for alleviation of distress and in the total appropriations and expenditures for relief. Everyone wanted to know these general facts regardless of what opinions might be held with respect to them. Consequently the press reported fully and quite objectively the figures on unemployment, the actions of state and federal legislatures, and the amounts of money that were spent on relief programs.

Other aspects of relief, as presented in the newspapers, were much more affected by public opinion and by the attitudes and policies of individual newspapers. Such was the case with newspaper material dealing with the unemployed and relief clients themselves and with the administration of relief.

Most papers, but not all of them, both shared and reflected a lack of sympathy for the unemployed en masse which was perhaps characteristic of American public opinion. The basic assumption seemed to be that the unemployed by and large were ne'er-do-wells who needed discipline as much as public assistance. It was interesting that while this assumption was applied to the anonymous mass of the unemployed it was often forgotten in the cases of known persons or families. The same newspaper which deplored relief in general as too liberal and "pauperizing" would criticize the inadequacy of the relief service in connection with particular cases which came to its attention. Likewise the same newspaper which accused the relief administration of "pampering" the clients might accuse it of harsh treatment in individual cases.

This same kind of inconsistency was often observed by relief officials in individual critics of the relief program who were highly sympathetic toward personal acquaintances on relief. Thus the unsympathetic attitude toward the unemployed which many newspapers displayed was perhaps not so much a lack of humane sympathy as an inability to extend that sympathy to the unemployed en masse.

Whenever newspapers or individuals offered criticism on the basis of individual cases the relief authorities sought names and addresses so that proper adjustment could be made. Ordinarily such identification was not forthcoming. Certainly the reason sometimes was that the critic did not have cases with which to

prove his statement, but many times the critic was only protecting the confidence of the individual client. The IERC was sometimes powerless to investigate criticism based upon cases because it could not identify them.¹

A not uncommon newspaper attitude toward the unemployed was clearly stated by an editorial in the Chicago Tribune.² This editorial derided the Commission for having allowed representatives of the organized unemployed to state their demands relative to administration and financing of relief in a Commission meeting, and deplored the fact that no

. . . . member of the Commission did the obviously proper thing of inviting the delegates to take their hats and clear out. That invitation was indicated, as the doctors say, not because the proposals of the spokesmen were silly, though they were, but because the proposals were impertinent. The facts are ugly, but there is no point in disguising them. The recipients of unemployment relief are objects of charity. They are on the county. It was their duty to support themselves and their families and in addition to help support the common government. For one reason or another they have failed to make the grade. The (public and private relief) money has been given not because the victims have a right to it but because the community has a heart and wishes to prevent physical suffering.

It was regarding policies and methods of relief administration that the newspapers were most critical. With relief generally unpopular in the public mind the real and alleged faults of relief administration made news. There were many faults which deserved public notice and got it. The virtues of the relief

¹For example, on December 26, 1935, the Cook County Relief Administrator wrote to the City Editor of the Chicago Daily News as follows: "In the Monday issue of the Chicago Daily News it is alleged that a person was denied relief because of his affiliation with the Republican Party. Anyone who has evidence is asked to bring it to my personal attention so that an immediate investigation can be made." The Managing Editor of the Chicago Daily News replied under date of December 30, 1935: "Should a complaint reach us which can properly be transmitted to you we shall be glad to do it. Unfortunately amid the great amount of convincing complaint that comes here there is little that can be sent elsewhere if it identifies the complainant. Those people fear the revenge of the political element, and however strict the orders of your administration we think that the fear has some basis" (files of the IERC). Any bona fide instances which the newspaper may have known of were in violation of the IERC regulations.

²An editorial entitled "The Right to Alms," the Chicago Tribune, November 9, 1932.

service and the handicaps under which the IERC labored received less attention from the press. As "A Grateful Client" writing to the "Voice of the People" in the Chicago Tribune put it: ". . . well treated clients, like the happily married, never get into print."

There were some topics on which newspaper criticism was particularly prominent. Among them were administrative cost, professional social workers, state control, fraudulent clients, and alleged dishonesty and political interference.

Among the Chicago metropolitan dailies the Chicago Evening American, a Hearst paper, with its campaign against the IERC in 1934 and 1935 was the most bitter critic of the IERC. The Chicago Herald and Examiner, another Hearst paper, and the Chicago Tribune, were influenced in their reporting of relief news by their hostile editorial policy toward public relief. The relief reporting of the Chicago Daily News was relatively objective. The only one of the major metropolitan dailies with an editorial policy generally favorable to the IERC was the Chicago Daily Times.

Among the neighborhood papers in Chicago and the hundreds of others in downstate counties the primary concern was with local relief news. Probably a majority of these papers were inclined to be critical of relief in general and state administration of relief in particular, but there was wide variation among them and the IERC program received a very considerable amount of thoughtful and constructive publicity.

Examples of newspaper activity.--The outstanding example of constructive newspaper work in relation to public relief in Illinois was the campaign for cash relief conducted by the Chicago Daily News. Thoughtful editorials were printed and a feature writer was sent to other cities to study cash relief in operation and prepare a series of outstanding special articles.¹ This newspaper sponsorship was among the factors which led to adoption of relief in cash by the IERC late in 1935.

The most sensational and unrestrained attack upon the IERC by any newspaper was made by the Chicago Evening American in July, 1934. Over a period of a week authentic facsimiles of IERC

¹Issues of the Chicago Daily News during February, March and April, 1935.

financial records were reproduced in that newspaper showing individual instances of dishonesty. There were facsimiles of forged work relief pay checks;¹ of fictitious grocery orders issued by a district relief office in Chicago and collected by vendors;² and of a falsified itemization of an invoice submitted by a vendor to the IERC for payment prior to full delivery.³

The featured articles which accompanied the facsimiles carried sensational headlines and made sweeping and unsupported charges of widespread and protected dishonesty in the IERC. Some headlines were: "VILEST KIND OF RACKET EXPOSED IN OPERATIONS OF EMERGENCY RELIEF,"⁴ "BIG EMERGENCY RELIEF GRAFT IN RENT BILLS,"⁵ "GRAFT--THIEVERY--CHARITY--AND POLITICS."⁶

Unsupported charges made were such as:

The Chicago American in its investigation has discovered this orgy of graft in the inner organization of the Illinois Emergency Relief Commission: Thefts. Forgery. Padded Relief rolls. Padded grocery bills. Fake merchandise orders. All to enable those on the inside to roll up an enormous amount of graft at the expense of poor, distressed families from whom this great amount of money was actually stolen.

And

Millions without question have been ruthlessly squandered, with the poor suffering and the taxpayer to foot the bill.⁷

And

So, as the Chicago American has revealed, rather than risk the stigma that might ensue to the lofty profession of social workers, thievery, swindling, forgery and plundering have been allowed to go on on a wholesale scale, unchecked and unhampered.⁸

Three days after the "expose" began the Chief Justice of the Criminal Court of Cook County instructed the Grand Jury to conduct a thorough investigation of the charges.⁹ Such investiga-

¹Chicago Evening American, July 23 and 26, 1934.

²Ibid., July 24, 25, and 30, 1934.

³Ibid., July 27, 1934.

⁴Ibid., July 23, 1934.

⁵Ibid., July 30, 1934.

⁶Ibid., July 26, 1934.

⁷Ibid., July 23, 1934.

⁸Ibid., July 25, 1934.

⁹Report on the IERC made by the July (1934) Grand Jury of Cook County to the Chief Justice of the Criminal Court of Cook County.

tion had been requested by the Chairman of the IERC. Testimony was taken from members and employees of the IERC and from the reporter who had signed the articles in the Chicago Evening American. The reporter refused to divulge the source of his information; he had previously said that he did not go to the Commission for it.¹ The judge refused to grant the request of the Grand Jury that the reporter be held in contempt of court and in so doing stated that:

It appears that Sloan [the reporter] misled the grand jury and the court by sponsoring statements under the guise of proven certainty which his testimony before the grand jury reduced to rumors or hearsay. . . .

If the court were satisfied that Sloan had facts which might lead to the proof of graft, fraud, payroll padding and other criminal acts, the ends of justice could possibly be served by a commitment order. . . .

The record indicates, however, that the state's attorney, the grand jury and the court can be more profitably employed than living in the hope or expectation of substantial proof from Sloan in his present state of declamatory, but uninformed zeal.²

The facsimilies which were printed by the newspaper were photostatic copies of documents on file in the Department of Investigation of the IERC. It was obvious that they had at some-time been removed, photographed and returned. This was done without the knowledge or permission of the Department Director.³ The facsimilies were unquestioned proof of dishonesty in the instances they covered. But the newspaper was unable to prove that such dishonesty was either widespread or condoned by members of the Commission or its executive staff.

The investigation by the July Grand Jury was continued by the August Grand Jury. Both of them reported to the court that though there had been frauds perpetrated upon the IERC by employees, clients and vendors they were not extensive, that the Commission had been diligent in detection, investigation and prosecution

¹Chicago Evening American, July 25, 1934.

²The opinion of Chief Justice Finnegan of the Criminal Court of Cook County, quoted in full in the Chicago Evening American, August 3, 1934.

³Statements of the Acting Director of the Investigation Department, in the files of the IERC. It was with good reason supposed, although never proved, that the records had been secretly removed and replaced by certain former employees of the department who had been discharged a short time before the "expose" began.

and had taken steps to revise business procedures to preclude recurrence insofar as possible.¹ It was the final and unanimous conclusion of the August Grand Jury, after investigating "in detail each specific charge published in the newspapers" that ". . . the recent public attacks on the honesty and effectiveness of operation of the Illinois Emergency Relief Commission of Cook County have been without substantial foundation and should be discredited."

The statements of the Chief Justice and of the Grand Jury, referred to above, would seem to have indicated grounds for a libel suit against the newspaper. No suit was brought and the Chicago Evening American from time to time renewed its malicious attack upon public relief administration.

An adequate appraisal of newspaper publicity in relation to unemployment relief waits upon intensive analysis of the vast amount of material which the papers have printed. One such analysis has been made in Illinois, limited to a single year and to two Chicago newspapers.² It was the conclusion of that study that persons who got their information about public relief by careful reading of the Chicago Tribune and Chicago Daily News in 1937 would logically have concluded that ". . . it is difficult to finance public relief; frequently there is a shortage in funds because of insufficient tax returns; this is hard for relief clients, but probably most of them do not really need assistance; most persons on relief refuse work, perpetrate frauds, or invite other relief recipients to strike for higher relief grants; relief rolls do not decrease very much even when business improves; social workers give relief and sometimes protect wrong-doers from society and the law; occasionally social workers are shot by irate clients or fight with each other; 'relief workers' always think

¹The reports of the July and August (1934) Grand Juries of Cook County to the Chief Justice of the Criminal Court of Cook County.

²Catherine S. Chilman, "The Interpretation of Public Relief by the Chicago Daily News and the Chicago Tribune During 1937" (Unpublished Master's Field Study, School of Social Service Administration, University of Chicago). The study is based upon a sample consisting of every fourth issue of the Chicago Tribune, beginning with January 1, and of the Chicago Daily News, beginning with January 3, for the year 1937.

that more money for relief is needed."

The study further concluded that the subject of public relief was inadequately presented; that these papers either did not understand the problem or saw no necessity for full discussion of it; that clear and factual reporting was given to fiscal and legislative matters but not to the activities of relief recipients and social workers.

IERC relationships to newspapers.--During the first two years of the IERC, newspaper reporters were not permitted to be present at Commission meetings. Finally a reporter for the Chicago Tribune entered a meeting and, on behalf of his paper, insisted upon the right to be present at the deliberations of the Commission as a public body.¹ From that time forward reporters attended all meetings. However, the Commission always reserved the privilege of discussing in "executive session," at which the Executive Secretary usually was the only non-member present, matters on which it believed publicity inadvisable or premature.

The headquarters organization of the IERC always included the Department of Information Service whose principal function was maintenance of contact with the newspapers. The Director of Information Service received inquiries from reporters, called news items to their attention as they arose and served in a liaison capacity between the reporters and the executive officers of the IERC.

In addition this department itself prepared many news releases which were sent to the Chicago papers and the press syndicates. General stories, suitable to be "localized" by each county, were occasionally prepared and mailed to all county relief administrations. While the IERC was responsible for relief administration a man versed in many languages was on the staff of the department to serve the many foreign-language newspapers in Chicago. During a part of 1934 and 1935 several persons experienced in publicity work were employed on a work relief basis and assigned to serve community groups and newspapers both in Cook County and Downstate.²

¹Minutes of IERC meeting of March 2, 1934.

²Interviews with the Director of the IERC Information Service and material consulted in the files of that Department.

The IERC Department of Information Service served not only the state office but to a considerable extent also the local relief administration in Cook County. In the other counties the relationship of the relief administrations to the local newspapers was largely left to the counties to maintain, although the state department always was available to serve them in an advisory way.

From 1933 until 1938 a commercial clipping service was employed to furnish the Information Service with all items related to the IERC which appeared in Illinois newspapers, in addition to which a complete file was always maintained of items appearing in the large Chicago dailies. It was the function of the Information Service to call newspaper material to the attention of relief officials who might be concerned.

Members of the IERC staff were very often defensive in their attitude toward newspapers and newspaper men. Some of them sought a relationship of frankness and confidence with reporters and achieved it. However, the attacks and misrepresentations suffered at the hands of the newspapers, as well as the recognized news value of bona fide instances of error in administration, were bound to inculcate a basically defensive attitude on the part of relief officials. The fact that newspaper attitudes for the most part simply reflected prevalent public opinion did not alter the situation. This defensive attitude was real and was in itself a detrimental factor in the public relations maintained by those who administered unemployment relief.

Legislative Investigation and Criticism

Interest of the General Assembly in relief.--From the very beginning of the IERC the question of unemployment relief was constantly before the state legislature. Up to January 1, 1939, no settled or permanent program was enacted for the provision or administration of state relief funds. Several special sessions of the General Assembly were called to meet the recurring relief "crises." Relief was always a controversial subject and on many occasions the IERC program drew criticism from the legislators.

Mistakes and weaknesses of the program in the counties were quickly reported to the legislators by their constituents and many items were aired on the floor of the General Assembly

which might better have been taken up directly with the Commission or its staff. But downstate legislators felt that the IERC, with its offices in Chicago, was remote from them. The establishment of the State Field Office at the state capitol in 1935 helped this situation but could not overcome all the damage to IERC public relations which resulted from the intimate relationship to Cook County and physical remoteness to Springfield.

Certainly some of the legislative criticism of the Commission was ill-founded, insincere or selfishly motivated. Such however were not the principal reasons which lay behind that criticism. At the bottom of it were the general unpopularity of public relief and certain weaknesses in the IERC program--weaknesses indicated elsewhere in these pages, some of which could have been avoided but many of which were inevitable. An important factor also was the antagonism toward the FERA which some legislators accused of dictating to the state on relief financing and administration.

The Commission itself was highly sensitive to legislative opinion and criticism. It always welcomed suggestions of individual members of the General Assembly and opportunities to co-operate in the difficult problems of relief legislation. Members of the Commission were often in Springfield to advise with leaders and committees of the House and Senate and special informative reports were on several occasions prepared to aid the legislature in considering relief measures.¹

Legislative investigation of the IERC.--In addition to several appearances before the General Assembly by the Executive Secretary and individual members of the Commission, there were three special committees from the legislature charged with investigating the IERC. One joint session of the House and Senate devoted a day to general discussion of the IERC with its members and executive officers present. Particular mention of these will show in more detail the relationship of the IERC to the legislative body.

¹For example: First, Second, Third, Fourth and Fifth Interim Reports of the IERC, issued between April 15, 1932, and September 30, 1933. Also: "The Relief Problem in Illinois--Report to His Excellency, Henry Horner, Governor, and to the Honorable Members of the Sixty-first General Assembly" (Mimeographed by the IERC, December 30, 1938).

The first legislative delegation to investigate the IERC was a subcommittee of the Illinois Commission on Taxation and Expenditures.¹ The subcommittee consisted of one senator and two representatives. The state relief program was only getting well under way when the investigation was made in the summer of 1932. Records were obtained from the IERC office and several hearings were held in Chicago during July at which officials of the IERC appeared and testified. In its report to the Illinois Commission on Taxation and Expenditure the subcommittee made the following recommendations:²

1. Reduction and standardization of salaries paid by the IERC.
2. Employment by the IERC of not more than one member of a family.
3. Consideration of paying rent for relief clients.
4. Elimination of delay in extending relief to needy families.
5. Allowance of no vacations with pay to IERC employees.
6. Provision of more equal aid to families by means of more thorough investigations.
7. Development of work relief for able-bodied clients.
8. Procurement of relief supplies from neighborhood vendors insofar as consistent with economy.

The Commission adopted the recommendations to the extent that they were concrete and practicable.

The next legislative investigation took place two years later, in the summer of 1934. It was made by a committee of five senators and five representatives, known by the name of the chairman as the Williams Committee.³ This committee began work in the middle of July, 1934, by holding a meeting at IERC headquarters, receiving reports from the executive officers and attending a

¹Laws of Illinois, 1931, pp. 46-48.

²Report of the subcommittee to Senator Martin P. Carlson, Chairman, Illinois Commission on Taxation and Expenditure, August 5, 1932 (files of the IERC).

³Laws of Illinois, 1933-1934, First Special Session of the 58th General Assembly, pp. 7-8.

regular meeting of the Commission.¹ The inquiry was conducted solely by the members themselves principally through the method of open hearings.

The Williams Committee appeared when the state and federal relief programs were at the height of their development. Much criticism had developed of the costs and methods of unemployment relief. The "expose" of alleged IERC graft by the Chicago Evening American broke just as the committee began its hearings, at which testimony was given by the reporter who signed the articles. The committee heard various clients, landlords and others who had complaints to make.

A brief report finally was submitted to the General Assembly on February 18, 1935, which scored the IERC for inefficiency and dictatorial methods, accused the FERA of high-handedness in its relationship to the state, particularly criticized the social work element in the IERC as despotic and insulting, deplored the unbearable cost of relief and the pauperization of the recipients. The report was a vitriolic criticism and little more. It contained no data or systematic information of any kind. It included no constructive suggestions relating to legislative planning for relief. It was in fact merely a short statement of highly biased and largely misinformed opinion.²

At the time the Williams Committee submitted its report to the General Assembly the members and Executive Secretary of the Commission were invited to appear before a joint session of the House and Senate to discuss the relief question.³ This legislative hearing turned out to be, as Chicago newspapers described it, "a field day for complaints" and "a Roman Holiday for legislators who had long been critical of the IERC."⁴

The legislators were armed with IERC payroll data,⁵ the

¹Minutes of IERC meeting on July 13, 1934.

²Report of the Williams Committee to the Governor and the Members of the General Assembly of the State of Illinois, February 18, 1935 (typewritten).

³Laws of Illinois, 1935, pp. 1450-1451.

⁴Chicago daily newspapers, February 20, 1935.

⁵At the request of a member of the House the Commission

report of the Williams Committee, and the items published by the Chicago Evening American in the "expose" of July, 1934. Other individuals, such as disgruntled vendors and township relief officials, were also present and voiced their complaints. After formal statements by members of the Commission, including a carefully prepared, informative address by the Chairman,¹ the proceedings took the form of an "inquisition," led by a House member who was bitterly antagonistic toward both the IERC and the current state and national administrations, and directed especially at the Executive Secretary of the Commission.

Attack was made upon particular purchases made by the Commission, in such a detailed way that answer was impossible without reference to records. Personal attack was made upon one member of the Commission. Political motives were alleged in connection with the IERC payroll. Accusing reference was made to the forged orders and checks previously publicized by the Chicago Evening American and investigated by the Cook County Grand Jury.

One senator interrupted the proceedings to protest against the indignity of the affair and suggest reference of the matter to a committee. Upon a plea from the leading inquisitor he was squelched by shouts from the floor and galleries. The Chairman of the Commission cleverly chided the leading antagonist on the floor and defiantly accused him of demagoguery and the entire audience responded to the battle of wits with cheers and laughter. When the legislator threatened to give his evidence to the United States District Attorney the Chairman replied that he could not do it too soon to suit the Commission.

The whole incident was undignified and futile. Nothing was accomplished either toward enlightenment of the legislature or improvement of relief administration. It probably did serve to undermine further public confidence in the IERC. One Chicago newspaper reported the affair under the headline: "STATE RELIEF

supplied for each member of the General Assembly a tabulation giving the name, salary, occupation prior to employment by the IERC, and address both current and for five years prior to employment by the IERC, for every employee of the Commission.

¹"Statement Presented to the General Assembly of Illinois," by Robert J. Dunham, Chairman of the Illinois Emergency Relief Commission, February 19, 1935 (mimeographed by the IERC).

HEAD UNDER FIRE FOR GRAFT AND WASTE."¹ Although partisan politics must have been in large part responsible for this attack upon the IERC the attack could only have happened to a public service which was generally unpopular.²

The third legislative investigation of the IERC took place late in 1937 and early in 1938 and was conducted by three senators and three representatives known as the Special Legislative Committee to Investigate Emergency Relief and Old Age Assistance in Illinois.³ This group did employ a secretary but had no other staff. The Committee began by meeting with the Commission⁴ and thereafter held hearings, studied financial records and made some local investigations in counties outside of Cook.

At the time of this investigation the administration of state relief funds had for a year and a half been the sole responsibility of the local governmental units. That system was proving wasteful and inefficient and this Committee therefore became occupied with the faults of the local administration which had replaced the state administration that the earlier Williams Committee had condemned.

The report of this third group, although it too was brief and inadequate, did undertake to recommend constructive remedies.⁵ It reported that there were many ineligible persons on local relief rolls, that politics often played a major part in individual relief grants and that while "funds raised by local taxes are usually disbursed by local officials economically, too often the easily acquired state funds are squandered." With regard to social service the report stated that ". . . the effort to extend social service as a State-wide function of poor relief is an extrav-

¹Chicago Evening American, February 20, 1935.

²The above description of the legislative hearing on relief administration is based upon contemporary newspaper reports and the personal memory of the author.

³Laws of Illinois, 1937, pp. 74-75.

⁴Minutes of IERC meeting on November 30, 1937.

⁵Report of Findings and Conclusions of the Special Legislative Committee to Investigate Emergency Relief and Old Age Assistance in Illinois, submitted to the 60th General Assembly, May 20, 1938.

agant result of the successful propaganda of a profession desiring to establish a permanent field of public employment for themselves."

The Committee recommended that persons in need of relief be everywhere classified into employables and unemployables. The employables should be cared for under a work relief program financed by the state and administered by a new Division of Public Assistance in the State Department of Public Welfare, which should supplant the IERC, and by County Superintendents of Unemployment Relief appointed by the state department. Unemployables, according to the report, were to remain the sole responsibility of local funds administered by the overseers of the poor.

The report was essentially a reaction against the defects of unsupervised local administration of state relief funds and a proposal for reassumption of state control over state appropriations. The administrative recommendations of the Committee did not become law but the report probably was mainly responsible for the restoration to the IERC of supervisory authority over local administration of state funds.¹

Significance of the legislative investigations.-- Use of legislative investigating commissions to get information for the legislative branch and to exercise control over the executive branch has been quite common in both our national and state governments. One student has called them "a wholesome moral influence, both as a threat to future evil-doers and as a corrective of past abuses."² Another has pointed out that although they do sometimes educate legislators and bring wrong-doers to justice they are often sporadic, unintelligent, motivated by partisanship or jealousy, and on the whole are not an effective method of orderly control.³

The legislative Committee which investigated unemployment relief in Illinois had very little constructive effect upon public

¹Laws of Illinois, 1938, 1st Special Session, 60th General Assembly, pp. 5-6.

²J. M. Phiffner, Public Administration (New York: The Ronald Press Co., 1935).

³M. E. Dimock, "Forms of Control over Administrative Action" in Haines and Dimock, Essays on Law and Practice of Governmental Administration (Baltimore: Johns Hopkins Press, 1935).

policy or administration. They did not serve to enlighten the legislative body because they were not provided with financial resources necessary for genuine study, the methods of investigation which they employed were unsystematic and superficial, and their written reports were wholly inadequate.

Their constructive influence upon administration was negligible. Certain administrative measures, wise and unwise, were adopted by the Commission on recommendation of the 1932 Committee and the recommendation of the 1937-1938 Committee for state control of state funds was partially enacted into law. On the whole however the investigations were not sufficiently thorough or thoughtful to be of important help to the relief authorities.

In the third place the investigations did not contribute much to public understanding of relief problems. The Committees approached their tasks without questioning the deep-set public prejudices toward unemployment relief which they themselves seemed to share. Faults were found, many of them real, but objective appraisal and statesman-like recommendation were not accomplished. The activities and report of the Williams Committee were much exploited by newspapers antagonistic to the relief service. The work of the legislative investigating Committees stands in sharp contrast to the thoughtful studies of the unemployment relief problem made by other official and unofficial commissions in Illinois.¹

Whatever the reasons may have been, it is apparent that the first state relief administration in Illinois had little or no support from the legislature which had created it. This being true, the untimely end of state control after four and one-half years of existence was not surprising.

Other Aspects of Public Relations

In the counties outside of Cook, and especially in the smaller ones, the IERC program was often under an especially great handicap with respect to public relations. In addition to the universal public aversion to unemployment relief as a public service many county relief administrations suffered from being the

¹Infra, chap. vi.

first example of a modern public assistance service that the community had ever seen. Being familiar only with small voluntary charitable effort and pauper relief as administered by the local overseers of the poor, many communities showed disapproval of the new program with its standards of adequate relief, paid personnel and systematic methods of administration. Being new, the program was frequently misunderstood and criticized.

The traditional American love of local autonomy was also a factor. The new system of relief administration very often was regarded as having been foisted upon the local unit by the state and federal governments, and it was true that when the locality asked for outside aid it sacrificed a large measure of local control. It would have been much sounder in the long run to have built the modern relief program into each community more slowly, giving local public opinion a chance to keep abreast of developments. But under the emergency circumstances such deliberation was impossible. The IERC had no choice, being responsible under the law, but to act quickly in providing funds and to insist upon what it believed to be efficient administration.

Inexperience of IERC personnel.---There was still another handicap upon many of the county units with respect to public relations, namely, the inexperience and ineptitude of many relief employees as public servants. Most of the people employed by the county relief administrations had never before been public employees. Some county relief administrators were not only new to public service but were without administrative experience of any kind. They were selected primarily with regard to their social service qualifications. A considerable number of these administrators proved to be unfitted for responsible public administration, at great cost not only to efficient relief administration but also to the public relations of the program.

Criticism from the public naturally centered upon the county relief administrator as the executive head of the local relief administration. Since the administrators were usually social workers the criticism often turned against social workers in general. The basic difficulty was that, due to the extreme shortage of properly qualified personnel, some of these important administrative positions had to be filled with persons who had neither adequate preparation as social workers nor previous experience in

public administration. The same was often true of non-social work employees.

The IERC experience demonstrated that in the interest both of effective administration and satisfactory public relations nothing is more important at the local level than top personnel with strong general administrative ability. In some places the program aroused local antagonism because the administrator in charge was an expert social worker who lacked that ability. In other places, where the administrator was not a social worker but had real administrative ability plus a sound appreciation of the program, the relief service gained a measure of community support, or at least avoided strong local antagonism, without any sacrifice to the quality of the social service program.

County Emergency Relief Committees and public relations.--

The County Emergency Relief Committees, where they were composed of able citizens genuinely sympathetic toward the needs of the unemployed, often proved an invaluable bulwark in the field of public relations. There was one instance in which a county relief administrator was accused by the local Congressman of permitting politics to affect relief administration at election time. The Congressman insisted upon his removal which, had it taken place, would clearly have put relief in a political light in one section of the state. The matter was given a careful hearing before the Commission. The County Emergency Relief Committee, on which three of the five members were of the same political party as the Congressman, united in defense of the administrator. One member attended the hearing and ably presented the position of the Committee. The administrator was admonished for an ineptitude of which he was clearly guilty but, due probably to the strong stand of the Committee, the request for his removal was denied.¹

In another instance the county administrator was under attack and was indicted by the county grand jury for malfeasance in office. A member of the county Committee, convinced of the administrator's innocence, scheduled personal property on her bond to save the employee from jail pending trial. When able counsel was employed for the administrator the state's attorney of the county, who had sought the indictment, had the case nolle prossed.

¹Files of the IERC.

Subsequently certain members of the county committee who had supported the attack on the administrator got a bare majority in the county committee to discharge her. Thereupon the members voting for the discharge resigned and the remaining members re-employed the administrator. Careful investigation of the affair by the District Representative indicated that the inability of a certain faction in the county to corrupt the impartiality of the relief administrator resulted in the attempt to remove her from office. It did not become necessary to prove this because the county committee was able to vindicate their own official.¹

The instances just cited are but two of the more dramatic among many in which the County Emergency Relief Committees, made up of local citizens, met unjustified attacks upon local relief officials. It was not only in a defensive way but also by positive effort that the county committees aided in local public relations of the IERC. There were of course, among the local committees, some which lacked either courage or conviction to give strong public support to the relief service. On the whole, however, the county committees gave strong support when it was deserved and did much to allay community antagonism and even to achieve positive support of the new and much misunderstood unemployment relief program.

There was of course a public relations aspect to the work of many IERC employees. The District Representatives, for example, often sought to develop acquaintance with local newspapers and with important citizens in order to sense local reaction to and promote understanding of the IERC program. They also did considerable public speaking. The executive officers of the IERC filled platform and radio speaking engagements and wrote occasional articles for current periodicals.²

The Commission itself was accustomed to invite to its meetings groups which had proposals to make. Many such hearings were given to organized vendors such as milk dealers, grocers, and real estate agents. All such contacts had important public relations

¹Files of the IERC.

²E.g., "Relief--The Biggest Job," by W. S. Reynolds, in Commerce, August, 1934 (Journal of the Chicago Association of Commerce); "Recovery at the Relief Level," by M. H. Bickham, Illinois Municipal Review, February, 1935.

aspects. The work of the IERC was presented in the form of exhibits at the annual Illinois State Fair in Springfield. In 1935 a film of still pictures, accompanied by the recorded voices of the Chairman and Executive Secretary, was used to exhibit and explain IERC activities at the state fair and was later made available for showing in communities over the state.

Formal reporting of the IERC to the public has been accomplished through annual and biennial reports¹ and a monthly bulletin on relief statistics.² The latter publication has regularly made available figures on relief expenditures and relief loads for all counties, special information on particular phases of the relief program in Illinois, data on state and national relief trends, and special reports and articles in the field of public assistance. It was regularly sent to all newspapers in the state, many of which gave it regular notice, and to members of the General Assembly, local relief officials and to other individuals upon request. Circulation did not exceed 2,500 copies.³

During 1934 and 1935 executive officers of the Work and Rehabilitation Division of the IERC twice proposed the issuance of a general monthly news bulletin on IERC activities, but no such organ ever became a fact.⁴ There probably was a need for some kind of publication, designed for the general lay reader, which would have illustrated and discussed the methods, difficulties and constructive values of unemployment relief.

Conclusion

It is clear that the IERC program lacked a carefully planned, positive attack upon the problem of public relations. Could such an attack have been made public opinion about the Commission

¹For the first two years the IERC published annual reports but with the period of July 1, 1934, through June 30, 1936, began publication of biennial reports in accordance with the practice of Illinois state government agencies.

²IERC Monthly Bulletin on Relief Statistics (begins with January, 1934).

³Interview with Chief Statistician of the IERC.

⁴Files of the IERC.

and its work might have been noticeably more intelligent and temperate.

Effective work on public relations would have required a special department, adequately staffed with experts in the field of promoting popular understanding and good will. The Information Service did what it could but was limited in scope and in resources. The efforts of an adequate public relations service could profitably have been directed along several lines.

More could have been done to reach the general public through the printed word and the radio. Many organized groups could have been reached through capable public speakers, who were available in the organization, and through moving pictures. Special attention might well have been given to local relief officials and other persons in public office over the state who were directly interested in public relief administration. Perhaps most important of all would have been an in-service training program for employees of the Commission which would have made them more aware of and more skillful in the public relations aspects of relief administration.

The temporary conception of the Commission's task perhaps largely explains the failure to give more attention to the important matter of public relations. At best a positive public relations program could have had only limited success. The present chapter has perhaps made clear the tremendous handicap, with respect to public opinion, under which the IERC worked. The basic difficulty was twofold. In the first place the public was not prepared to accept wholeheartedly a large and expensive unemployment relief service, no matter how perfectly it might have been administered. In the second place due to the insecure statutory and financial bases of the program and consequent inadequacy of administrative methods and personnel, imperfect administration was inevitable.

Given those conditions, with their many ramifications, public appreciation and support of the emergency relief program was not to have been expected. Such appreciation can only follow some fundamental changes in public opinion. Those changes may be expected to come, but slowly and over a long period of time. The IERC faced not only the insecurity of its own existence and support but also misunderstanding and criticism from without. The

student of public welfare administration must conclude that the Commission confronted an extremely difficult task.

CHAPTER V

FINANCING AND FINANCIAL ADMINISTRATION OF THE IERC

The cost of the emergency relief program was enormous. Necessary public funds were appropriated by legislative bodies with great reluctance. Relief was viewed as an improper function of state government. In the face of the general retrenchment of public expenditures which characterized the early years of the depression the new demand for large relief appropriations seemed as inopportune as it was inescapable.

Illinois, like the other states, first met its financial responsibility for relief on a temporary and emergency basis. Financing continued on a temporary, "hand-to-mouth" pattern for several years with emergency measure following emergency measure in precarious succession. The first state appropriation for relief in Illinois was made in February, 1932,¹ and it was not until more than five years later that a regular biennial session of the General Assembly made a relief appropriation calculated to last a full two years.

The patchwork of public relief financing in Illinois from 1932 to 1939 can best be made evident by noting chronologically the various measures by which funds were provided.

Successive Financing Measures

Prior to the first state appropriation in February, 1932, the General Assembly had, in the summer of 1931, acted to meet the relief need by facilitating the raising of increased local public funds. The counties, most of which had long been responsible for financing poor relief, were handicapped in meeting the abnormal relief needs by statutory and constitutional restrictions of their power to levy general property taxes.² The

¹Laws of Illinois, 1932, 3d Special Session, 57th General Assembly, pp. 191-192.

²The corporate or "general purpose" levy of Illinois

legislature could have facilitated local fund raising by increasing the ability of the counties to levy taxes for poor relief. Instead it chose to transfer responsibility for relief to the townships whose rate of levy was unlimited. It has been suggested that one reason why the legislature took this course was that it relieved the rural areas from a share in the heavy relief costs of the urban centers.¹ The Act, known as the "Finn Bill,"² although administratively a step backward³ did result in increased local expenditures for unemployment relief in 1931 and 1932.⁴

The "Finn Bill" did not apply to Cook County which, along with the minority of counties not under township organization, remained responsible for relief financing. The non-township counties were not relieved from their financing handicap but special temporary provision was made for Cook County by authorizing issuance there, without referendum, of a \$2,000,000 bond issue for relief.⁵

counties, in which poor relief is included, is limited by law to 25 cents per \$100 of assessed valuation, without popular referendum to increase it (Smith-Hurd, Illinois Revised Statutes, chap. 34, sec. 25). Typically the counties were already levying close to this limit; and popular referendum was impractical as an emergency measure. The total property tax rate of the counties is limited by the state constitution to 75 cents per \$100 of assessed valuation (Illinois Constitution, Art. 9, sec. 8). The counties were in the anomalous position of responsibility under the pauper laws and incapacity under the revenue laws.

¹IERC, First Annual Report, p. 82.

²Laws of Illinois, 1931, pp. 725-726.

³It was a backward step in that it increased township responsibility in the face of a general trend, in Illinois and elsewhere, toward use of the county as the unit for administration of public social services. However, it did not change the administrative set-up under the Illinois pauper law because the township supervisor had been legally responsible for administration as overseer even though the county provided the funds. For further discussion of the "Finn Bill" see R. H. Whitman, "Financing of Unemployment Relief by Townships in Illinois," 8 Social Service Review 31 (March, 1934).

⁴It was necessary for the General Assembly to enable the townships to make a special levy late in 1931 because the "Finn Bill" was passed after most of them had made their regular levies in April (Laws of Illinois, 1931, 1st Special Session, 57th General Assembly, pp. 117-118, 156-157).

⁵Ibid., pp. 409-10. The Act stipulated that Cook County

Subsequent to the "Finn Bill" additional legislation from time to time further affected the possibility of adequate local relief financing from the general property tax. In 1935 the "Finn Bill" was repealed and financial responsibility transferred back from townships to counties.¹ In 1936 the counties were enabled to levy for relief, over and above the maximum rate for general county purposes, as much as thirty cents per \$100 of assessed valuation.² Finally, when state relief administration came to an end in July, 1936, responsibility for local relief financing was again placed back on the townships, non-township counties, and for Chicago was placed upon the city itself.³ The local units were at the same time allowed a maximum levy of thirty cents per \$100 of assessed valuation for poor relief purposes.⁴

This shuttling back and forth of local responsibility between the townships and counties led to confusion in local fiscal operations and necessitated various special acts by the General Assembly to facilitate the transfers. On January 1, 1939, the duty of local relief financing rested with the townships in 85 counties, with the county in the other 17 counties which did not have the township form of government, and with the City of Chicago. Altogether 1,455 different local government units were responsible.

Prior to July 1, 1936.--The circumstances leading up to and method of providing the first state relief appropriation of

should expend \$500,000 of regular county funds for relief in the same year the bonds were issued. The bonds were to be financed by a general property levy over and above the statutory rate limit. The bonds were voted but found no sale. In the winter of 1931-32 vendors accepted \$1,600,000 worth of them in payment for obligations incurred.

¹Laws of Illinois, 1935, p. 1056.

²Ibid., 1936, 1st Special Session, 59th General Assembly, pp. 67-68.

³Ibid., 2d Special Session, 59th General Assembly, p. 75.

⁴Ibid., pp. 91-92.

\$20,000,000¹ in February, 1932, have been stated above.² That appropriation lasted a bare six months. Anticipating this early depletion of state funds members of the IERC took an active part in securing the passage of relief legislation by the Federal Congress.³ Other states were in equally serious circumstances and in the summer of 1932 the federal government could no longer resist the pressure for financial aid to unemployment relief. For Illinois it was providential that just as state funds were exhausted at the close of July federal funds became available under the Emergency Relief and Construction Act of 1932.⁴

This Act enabled the Reconstruction Finance Corporation to provide \$300,000,000 in relief loans to the states. Upon application of the governor the RFC could make loans⁵ from this fund to a state or to a political subdivision of a state. Illinois received its first loan from the RFC late in July, 1932, and continued to receive such aid monthly through May, 1933. During that period a total of \$43,191.721 in RFC funds were loaned to the State of Illinois and an additional \$12,252,000 directly to Cook County.⁶ Thus 18.5 per cent of the first federal appropriation for unemployment relief came to Illinois. This was by far the largest share received by any state. The next two highest state shares were 11.6 per cent to Pennsylvania and 8.9 per cent to New York.⁷

With the original state relief appropriation exhausted and with the RFC unwilling to finance the entire relief burden

¹Actually only \$19,266,899.09 became available for relief, the remainder of the proceeds from the bonds being required to finance interest on the tax warrants sold in anticipation of the bonds (IERC Second Annual Report, p. 104).

²Chap. 1, pp. 22-24.

³IERC First Annual Report, p. 8.

⁴47 United States Statutes at Large, Part I, p. 709.

⁵The original act provided for loans only but in 1934, before any repayments had been made by the states, Congress repealed the loan feature in so far as the states were concerned, so that in the end the RFC relief loans to the states were outright grants (48 United States Statutes at Large, Part I, p. 996).

⁶IERC Second Annual Report, p. 105.

⁷Survey Graphic, July, 1933, p. 351.

in Illinois, the General Assembly was faced, late in 1932, with the problem of providing additional relief funds. At a special session four separate measures were enacted, each designed to produce additional local rather than state funds.

The first of these four measures, enacted in October, 1932, enabled counties to use for relief, until July 1, 1933, the unencumbered portions of the allotments regularly received by them for highway purposes out of the state motor fuel tax collections.¹ Most counties took advantage of this act and more than \$3,000,000 was thus made available for relief.² This financial resource came to an abrupt end in May, 1933, as the result of a judicial decision declaring unconstitutional the diversion of motor fuel tax allotments by counties from highway to relief purposes.³

The second measure, enacted in November, 1932, to expire January 1, 1934, enabled counties to issue, without referendum, relief bonds which might be paid off from otherwise unencumbered portions of the regular county allotments from the state motor fuel tax collections or, if that resource proved insufficient, from general property tax revenue.⁴ Seventeen county boards voted bond issues under this law varying in amounts from \$5,000 up to \$600,000 and totalling \$3,564,000. However, only three counties sold their entire issues and four others a part of their issues, realizing, among the seven counties, a total of \$1,019,000.⁵ When litigation was begun in March, 1933, challeng-

¹Laws of Illinois, 1932, 4th Special Session, 57th General Assembly, p. 28.

²IERC Second Annual Report, p. 106.

³Illinois Construction Council and Kilbride v. Barrett, Case No. 58910, filed in March, 1933 Term and decided in May, 1933 Term, Circuit Court of Sangamon County, Illinois. Not appealed. Diversion of motor fuel tax funds by the state to finance the original \$20,000,000 bond issue for relief was also challenged, unsuccessfully, in the Circuit Court of Sangamon County. Appeal was taken to the Illinois Supreme Court which upheld the decision of the lower court (Michaels v. Barrett, 355 Illinois 175 [1934]).

⁴Laws of Illinois, 1932, 4th Special Session, 57th General Assembly, pp. 14-16, 29.

⁵IERC First Annual Report, p. 104.

ing the constitutionality of county diversion of motor fuel tax allotments for relief,¹ the efficacy of the bond issue measure was immediately impaired. County boards became reluctant to issue bonds which might require substantial increases of local tax rates for liquidation, and investors declined to buy the bonds when the method of their repayment was uncertain.²

The third measure, also enacted in November, 1932, authorized the Cook County Board to issue and sell, without referendum, relief bonds in the amount of \$17,000,000, based upon the general property tax.³ The bonds were voted and offered for sale but due to the poor financial condition of Cook County, no one would buy them. However, Cook County was able to use the bonds to the amount of \$12,252,000 as collateral for a relief loan from the RFC which provided for the relief needs of the county in January and February, 1933.⁴

The fourth and final local financing measure enacted at the close of 1932 was a provision for a county sales tax. This law, enacted in December, enabled any county board, by a two-thirds vote, to impose until July 1, 1933, a tax on persons engaged in the business of selling tangible personal property at retail at a rate not to exceed one per cent of sales, the proceeds to be spent for relief.⁵ Both the constitutionality and the economic feasibility of this measure were seriously questioned. It never was put into operation by any county.⁶

The series of legislative measures for relief financing

¹Supra, p. 162, note 3. After the decision of the Sangamon County Circuit Court it became necessary for the General Assembly to validate those bonds which had already been issued. Such bonds thus became a burden upon the local property tax (Laws of Illinois, 1933, pp. 419-420).

²IERC First Annual Report, pp. 102-103.

³Laws of Illinois, 1932, 4th Special Session, 57th General Assembly, pp. 16-17.

⁴IERC First Annual Report, pp. 103-104. In May, 1935, Cook County sold an additional \$1,200,000 worth of these bonds (infra, p. 169). The remainder never was disposed of.

⁵Laws of Illinois, 1932, 4th Special Session, 57th General Assembly, pp. 17-21.

⁶IERC First Annual Report, p. 104.

just described were highly temporary and largely futile. Although they did produce some local funds for relief they actually increased local contributions very slightly, if at all, because there was a concurrent and marked decrease in local funds coming from private sources and the real property tax.¹ "The most significant result of this legislation was its acceptance by the Reconstruction Finance Corporation as evidence of an effort on the part of the State to increase State and local expenditures for relief and hence as sufficient justification for continuance of Federal advances to the State."²

However, with Federal funds carrying a substantially heavier share of relief costs in Illinois than in other industrial states or in the nation as a whole, the RFC soon renewed its demand for additional state participation. In March, 1933, Illinois received the last loan for which it was eligible under the provision in the Emergency Relief and Construction Act which prohibited the loaning of more than 15 per cent of the \$300,000,000 to any one state. Federal action once more seemed providential for Illinois when Congress repealed the 15 per cent limitation in time to permit further RFC loans to Illinois for April and May.³

Meanwhile, in March, 1933, the General Assembly enacted the first Illinois sales tax.⁴ The Act provided for a 3 per cent tax upon retail sales, beginning in April, 1933, and ending July 1, 1935. The income was to be apportioned to the counties

¹IERC First Annual Report, pp. 104-107. The Statistical Department of the IERC made a special study to compare the sources of relief funds in representative downstate counties, for the twelve-month period ending September 30, 1932, on the one hand, and the four-month period ending February 28, 1933, on the other. One conclusion was that "in spite of the legislation of the Fourth Special Session, designed to make available further strictly local funds, such funds have been of decreasing significance in the providing of relief, while Federal Funds have constituted a growing proportion of the total" (*ibid.*, p. 107).

²S. E. Leland and associates, "Intergovernmental Fiscal Relations in Illinois" (a forthcoming publication), chap. ix. Chapter ix of this study, entitled "Financing Unemployment Relief, 1930-1938," prepared by Mr. Daniel Scheinman and Mr. Clarence Philbrook, has been of especial value in preparation of the present section.

³48 United States Statutes at Large, Part I, p. 23.

⁴Laws of Illinois, 1933, pp. 938-944.

on the basis of population. The funds were to go directly to the counties except in the case of Cook County whose share was appropriated to the IERC for expenditure in Cook County. It was further provided that such part of this revenue as was not needed for relief could be used for public school purposes.

The RFC was willing to continue making large loans to the state during April and May, after which the sales tax revenue was expected to become available in substantial amounts. But these plans came to naught when the Illinois Supreme Court declared the sales tax law unconstitutional before it yielded any revenue.¹

With the sales tax law invalid and with the RFC relief loan fund exhausted in mid-May Illinois faced another of its frequent crises in relief financing. For the third time in less than a year congressional action afforded timely rescue.

In March, 1933, the Roosevelt Administration had come into office and early in May the Federal Emergency Relief Administration was created and provided with \$500,000,000 from which to make outright grants to the states for relief.² Two different bases for making grants were provided by the federal statute. In the first place \$250,000,000 was made available for quarterly grants to the states on the basis of one dollar for each three dollars of public money from any source spent within the state during the preceding quarter.³ This provision was required to be effective only until October 1, 1933, after which date, with the approval of the President, any part of the \$250,000,000 remaining unexpended might be granted to the states without regard to the matching basis.⁴ The other half of the appropriation,

¹Winter v. Barrett, 352 Illinois 441. Due to certain tax exemptions provided in the statute it was held in violation of the uniformity clause of the constitution. Prior to the decision of the court merchants everywhere in the state had collected thousands of dollars from retail purchasers. These collections could not be paid to the state and for the most part it was impossible to reimburse purchasers. Many merchants donated the collections to local relief agencies.

²The Federal Emergency Relief Act of 1933; 48 United States Statutes at Large, Part I, p. 55.

³Ibid., sec. 4, subsec. b.

⁴Ibid., subsec. d. Early in November, 1933, the President

minus amounts necessary for federal administration, was made available for grants to the states on a need basis when the need could not be met by all other available public funds, including FERA funds granted under the one dollar for three matching plan.¹

The FERA grants to Illinois and the other states were essentially on the basis of need and wholly subject to the discretion of the Federal Emergency Relief Administrator. With additional appropriations the FERA continued to make relief grants to the states from May, 1933, through December, 1935, with certain interruptions. During that period the grants to Illinois totalled \$205,218,471.² Federal funds were regularly available throughout that span of more than two and one-half years. Due, however, to the temporizing action of the Illinois General Assembly in meeting a substantial part of relief costs with state funds, as demanded by the FERA, relief financing in Illinois continued to face periodic crises.

In June, 1933, the General Assembly again enacted a sales tax law.³ This Act eliminated the features which the court had found objectionable in the earlier sales tax law.⁴ The new law placed a tax of 2 per cent on retail sales to be effective for three years beginning July 1, 1933. But it was a highly temporary measure in so far as relief financing was concerned due to the provision that the proceeds of the tax after January 1, 1934, should go into the general revenue fund of the state and not be available for relief.⁵ A companion bill appropriated \$25,000,000

approved transfer to the discretionary fund of the remainder of the matching fund (Expenditure of Funds--Federal Emergency Relief Administration, 74th Congress, 1st Session, Senate Document No. 56, 1935, p. viii).

¹48 Statutes at Large, Part I, sec. 4, subsec. c.

²IERC Biennial Report, Covering the Period July 1, 1934 through June 30, 1936, p. 149.

³Laws of Illinois, 1933, pp. 924-929. Technically the tax is levied upon the occupation of retail selling and is correctly referred to as the Retailer's Occupational Tax. It is popularly called the sales tax which is essentially what it is.

⁴The Act was upheld by the Illinois Supreme Court in Reif v. Barrett, 352 Ill. 441 (1934).

⁵This provision represented a compromise which at the time was thought to be necessary in order to pass the sales tax

from the sales tax revenue to the IERC,¹ of which only \$17,106,200.70 actually became available for relief because that was the net yield of the sales tax for the first six months.²

Before the close of 1933 the General Assembly was obliged once more to face the problem of relief financing and provide funds for 1934 when the sales tax revenue could no longer be used for relief. It met in special session in November and made available an additional \$30,000,000 for relief through enactment of a state bonding plan essentially the same as that by which the first \$20,000,000 had been provided in February, 1932.³

One bill authorized a state property tax levy in the amount of \$38,000,000 to be levied actually only in such part as might be required to pay off any anticipation notes outstanding against it at the time it became necessary to compute the rates.⁴ Another bill appropriated \$30,000,000 to the IERC.⁵ A third enabled the State Treasurer to carry out the plan.⁶ A fourth authorized issuance and sale of \$30,000,000 in state bonds, subject to approval by referendum, the proceeds to be used to pay off anticipation notes outstanding against the tax levy and for relief.⁷ The bonds themselves were to be paid off by proportionate deduction from the allotments regularly made to the counties and municipalities from state motor fuel tax collections, or by local property tax levies if the motor fuel tax allotments were insufficient. The fifth and final bill amended the state motor fuel

at all. The opponents of a sales tax for relief voted for it in this form foreseeing that after January 1, 1934, the sales tax revenue would enable the state to reduce the real property tax for state purposes. That was what happened. In 1934 the sales tax supplanted the general property levy as the principal source of revenue for the state government and the state has not levied a general property tax since.

¹Laws of Illinois, 1933, p. 136.

²IERC Biennial Report, Covering the Period July 1, 1934 through June 30, 1936, p. 149.

³Cf., chap. 1, pp. 23-25.

⁴Laws of Illinois, 1933, 1st Special Session, 58th General Assembly, p. 35.

⁵Ibid., p. 10.

⁶Ibid., pp. 10-11.

⁷Ibid., pp. 11-15.

tax law to conform with the plan.¹

Briefly, the plan called for immediate provision of funds through sale of state tax anticipation warrants which would be paid off from the proceeds of a \$30,000,000 bond issue, to be approved by popular referendum, thus making it unnecessary to extend the property tax levy. The bonds would then be paid out of local allotments from motor fuel tax revenue. The same plan was enacted in February, 1932, with extreme reluctance because the legislators feared the electorate would defeat the bond proposal and thus make necessary the property levy. The same reluctance was not present in 1933 because the voters had overwhelmingly approved the earlier bond issue, as they also eventually did the \$30,000,000 issue.

Expenditure of the \$30,000,000 was spread through the entire year of 1934 and with heavy FERA grants coming in during that same year the General Assembly was able to escape the relief financing problem until the next regular session convened in January, 1935. The legislators then found the bond issue funds exhausted and the FERA insisting upon immediate state action as a condition for further grants of federal funds.

In mid-January \$9,000,000 was appropriated for relief from the General Revenue Fund of the State, to be spent at a rate not to exceed \$3,000,000 each thirty days.² This sum was exhausted in mid-April. Meanwhile the General Assembly became increasingly irritated by the insistent demands of the FERA for state financial participation³ and, in view of current talk of a new federal work program to provide for all employables,⁴ was inclined to wait and see what the national government would do.

During May, 1935, relief activities in Illinois underwent

¹Ibid., p. 37.

²Ibid., 1935, p. 174.

³The FERA insisted that Illinois provide \$3,000,000 monthly toward relief costs. The General Assembly thought the figure unfairly high and the House of Representatives even sent a committee to Washington on the matter (House Journal, 1935, pp. 357, 375).

⁴In his annual message to Congress the first of the year President Roosevelt had foreshadowed the Works Progress Administration by stating that the federal government would begin a new work program to provide for "employables" (Congressional Record, 1st Session, 74th Congress, LXXIX, 89-92).

the most serious interruption of the entire period of state relief administration. The FERA had made it plain that federal grants would be contingent upon provision of \$3,000,000 monthly by the state. The failure of the state to provide its share of funds for the last half of April caused a shortage at the close of that month, and with no further state funds in sight May approached with the prospect of no money from either state or federal sources. On April 16 the Commission advised each of its county relief administrations that in the absence of subsequent announcement of available funds for May, "you will be compelled to discontinue the granting of relief on April 30."¹

The gravity of the crisis is recalled by a public statement issued by the Governor of Illinois at the end of April. It read in part:

Illinois today is confronted with one of the most serious crises it has ever encountered in its history as a state. . . . I appeal to every man and woman in our state to consider the needs of our fellow-citizens now in serious distress a personal responsibility and to make it our first duty to help provide these men, women and children with the necessities of life. I urge the communities of Illinois to accept the obligation of caring for these dependents during this emergency through the mobilization of private funds wherever they are needed.²

Anticipating the May shortage most counties of the state greatly restricted relief during the latter part of April and thus conserved funds for partial relief during the May emergency.³ Cook County was able to market \$1,200,000 worth of the remainder of the \$17,000,000 relief bond issue authorized in 1932⁴ and local public funds elsewhere, although wholly inadequate, were made available in larger amounts than usual.⁵ On May 10 the Commission "scraped the bin" and by using unexpended balances in its

¹Minutes of IERC meeting on April 19, 1935.

²Ibid., April 26, 1935.

³IERC Monthly Bulletin on Relief Statistics, June, 1935,
p. 1.

⁴Minutes of IERC meetings on April 26 and May 3, 1935.
Cf., supra, p. 163.

⁵IERC Monthly Bulletin on Relief Statistics, June, 1935,
p. 1.

various accounts was able to allocate \$1,200,000 among the various counties. Many local relief offices were forced to close and on May 11 the Commission closed the headquarters office and terminated the services of all employees "except those essential to winding up the affairs of the Commission."¹

In the meantime the General Assembly had under consideration a proposal to increase the state sales tax from 2 to 3 per cent, with the extra cent to go for relief purposes, and to impose a 3 per cent tax on gross receipts of public utility companies, all the proceeds of which should go for relief. Weeks of effort to enact these measures with the two-thirds vote necessary to make them immediately effective were unsuccessful. Late in May the bills were passed with an ordinary majority.²

Even though the renewed state contribution to relief costs would not become available under this program until August, 1935, the FERA modified its demands and made grants to Illinois for the last week in May and for June and July without any state contribution. From the increased sales and utility tax revenue the legislature in July appropriated \$45,000,000 for relief, to be spent at a rate not to exceed \$3,000,000 per month.³ The FERA grants continued through the latter half of 1935 in spite of the fact that the new source of relief revenue in Illinois yielded substantially less than \$3,000,000 per month throughout that period.⁴

During 1935 the new federal work program for employables, as forecast by President Roosevelt early in January, took form in the Works Progress Administration. By autumn that program was well under way and the states looked forward to discontinuance of federal grants in aid of direct relief. The last FERA grant to the IERC was made for December, 1935.⁵ Thus, on January 1, 1936, the period of joint federal and state financing of direct relief

¹Minutes of IERC meeting on May 10, 1935.

²Laws of Illinois, 1935, pp. 1195, 1201.

³Ibid., pp. 174-175.

⁴IERC Biennial Report, Covering the Period July 1, 1934 through June 30, 1936, p. 149.

⁵IERC Monthly Bulletin on Relief Statistics, January, 1936, p. 10.

came to an end. After that the state and localities had to depend upon themselves alone for general relief funds. The WPA of course provided for a large part of the needy unemployed, and the federally aided old age assistance program slightly reduced the general relief burden. However, the demand for ordinary relief funds remained very substantial.¹

As it was apparent that the revenue from the utility tax and one-third of the sales tax would be insufficient after the stoppage of federal grants the General Assembly convened in special session in January, 1936, and appropriated \$2,500,000 from general revenue for expenditure in January.² In February another \$7,500,000 was made available from the same source, to last until May 1.³

During the first half of 1936 the confusion in the General Assembly over the relief problem became extreme. In February an act was passed to abolish the IERC entirely as of May 1,⁴ without making new provisions for the handling of state relief funds. To be effective July 1 relief was made the responsibility once again of the townships in all counties (excepting those not having township government) including Cook where, for the first time, the City of Chicago was made responsible for relief within its own borders.⁵ State participation in relief financing was terminated by repealing the \$45,000,000 appropriation made in July, 1935.⁶

This hasty legislation meant that financial and administrative responsibility would have to shift twice in a period of two months; on May 1 from the IERC to the counties and on July 1 from the counties to the townships and the City of Chicago. In

¹The number of resident families receiving relief from public funds in Illinois was 317,700 in January, 1935, and 190,887 in January, 1936 (IERC Biennial Report, Covering the Period July 1, 1934, through June 30, 1936, pp. 172-179).

²Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, pp. 11-12.

³Ibid., pp. 8-9. ⁴Ibid., pp. 23-24. ⁵Ibid., p. 75.

⁶Ibid., p. 11. It was later necessary for the legislature to reappropriate \$2,000,000 to cover expenditure already incurred against the original appropriation at the time it was repealed (ibid., p. 8).

conformity with this legislation the Commission, late in April, directed that all relief offices be closed and staff dismissed at the close of business April 30.¹

To forestall the utter chaos to which its action had clearly destined Illinois relief, the General Assembly, on the very day previously set for the end of the IERC, extended the life of the Commission to July 1, 1936, as an administrative agency, and from that date forward to March 1, 1937, as a mere allocating and certifying body.² An appropriation of \$6,000,000 was made to the IERC to provide relief at the rate of \$2,000,000 monthly for May and June, 1936, and to defray administrative expenses of the Commission until March 1, 1937.³ A further appropriation of \$14,000,000 was made to the Auditor of Public Accounts to pay out to the local units, upon certification of need by the IERC⁴ and at a rate not to exceed \$2,000,000 monthly, beginning with July, 1936.⁵

Thus, beginning with May there was available only \$2,000,000 of state funds per month with which to meet a need of more than twice that amount. On April 30 the Commission chose to allocate the full monthly maximum to the counties for the first half of May, with the prospect of no funds for the last half.⁶ At the last moment, on May 14, a further appropriation was made providing an additional \$2,500,000 for May and \$2,000,000 for June.⁷

After July 1, 1936.--A period of almost four and one-half years of state administration of relief in Illinois came to a

¹Minutes of IERC meeting on April 26, 1936.

²Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, pp. 27-29.

³Ibid., pp. 10-11.

⁴The basis for determining need was contained in the statute (cf., infra, pp. 196-200).

⁵Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, pp. 10-11.

⁶Minutes of IERC meeting on April 30, 1936.

⁷Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, p. 10.

close July 1, 1936. Beginning on that date the IERC was responsible only for certifying, in accordance with a statutory formula,¹ the amounts of state relief funds to be allocated among 1,454 local governmental units. Only \$2,000,000 in state funds were available for July. It was hoped that with responsibility in their hands the poor law units would furnish the needed additional funds. The local share in relief financing did increase substantially in July, both absolutely and proportionally, but nevertheless the mean individual relief grant for the state fell off almost 40 per cent.²

In the last half of 1936 two more short-time relief appropriations were made. In August the inadequacy of the \$2,000,000 of state funds per month became so apparent that the General Assembly finally increased the \$14,000,000 appropriation to \$20,000,000 and permitted expenditure of \$2,500,000 in August and \$3,000,000 per month thereafter.³ Since funds were thus provided only through January, 1937, a further appropriation of \$12,000,000 was made in December, also to be used at the rate of \$3,000,000 per month.⁴

Along with the return of administrative responsibility to the local units it was the intention of the legislature to increase substantially the local share in relief costs. To this end there was enacted during 1936 a long series of legislative measures. Most important among them were those which settled upon a levy of thirty cents per \$100 of assessed property valuation as a proper effort for the local unit. The townships, the non-township counties and the City of Chicago were required to levy at this rate to become eligible for state aid.⁵ The

¹Cf., *infra*, pp. 196-201.

²IERC Monthly Bulletin on Relief Statistics, January, 1937, pp. 16-17.

³Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, p. 9. The sales tax and public utility tax for relief were extended at this time. To assure availability of the full appropriation provision was made for general revenue to make up whatever part sales and utility taxes failed to provide.

⁴Ibid., p. 12.

⁵Cf., *infra*, p. 198.

remainder of the local financing acts in 1936 were temporary and designed to hasten provision of local funds during that year.

As matters stood at the close of the hectic year of 1936 state relief money was to be available at the rate of \$3,000,000 per month through May, 1937. In June, 1937, an additional \$3,000,000 was appropriated for that month.¹

Also in June, 1937, the General Assembly appropriated \$70,000,000 for state relief aid for two years, to be spent at a rate of not more than \$2,900,000 monthly; and \$2,000,000 for administrative expenses of the IERC, to be spent at a rate of not more than \$100,000 monthly.² Further extension of the sales tax³ and public utility tax⁴ program was made to provide the revenue.

When Illinois state financing of relief in the 1930's is viewed in retrospect this \$70,000,000 appropriation takes on especial significance. Not only was it much larger than any previous single appropriation but, and more important, it was the first biennial appropriation. For more than five years the legislature had temporized and provided funds for a few months at a time. Now, in 1937, state aid for relief was financed, like all other functions of the state government, on a biennial plan. The conception of the responsibility of the state as a temporary emergency was beginning to give way.

However, events proved that the General Assembly did not, by making this biennial appropriation, free itself from the relief problem for the next two years. The spring and summer of 1937 were characterized by relatively favorable general business conditions and a relatively low relief load.⁵ The monthly allow-

¹Laws of Illinois, 1937, pp. 51-52. ²Ibid., p. 52.

³Ibid., pp. 1058-1059.

⁴The original public utility tax was held unconstitutional in 1937 by the Illinois Supreme Court (City of Chicago v. Ames, 365 Illinois 529). A new law was promptly enacted to continue the 3 per cent tax until July 1, 1938, at which time it was to drop to 2 per cent (ibid., pp. 1052-1057).

⁵In June, 1938, the number of cases requiring assistance in Illinois was 21.2 per cent higher than in June, 1937 (IERC Monthly Bulletin on Relief Statistics, January, 1939, p. 3).

ance of \$2,900,000 in state relief funds was planned under those conditions and when economic decline came on late in 1937 the amount grew increasingly inadequate.

Therefore, the General Assembly, once more in special session, in May, 1938, appropriated an additional \$4,500,000 from general revenue funds. Available for expenditure at the rate of \$500,000 monthly, these funds increased the total of state aid to \$3,400,000 per month for nine months beginning with May, 1938.¹ In June, 1938, a further supplemental appropriation of \$2,800,000 from general revenue increased to \$3,800,000 the amount available each month from July, 1938, through January, 1939.² That was the final state appropriation prior to January 1, 1939.³

Two new measures were enacted in the first half of 1938 to increase local relief funds currently available. One of them authorized the townships, at special town meetings, to vote bonds with which to fund their indebtedness for relief.⁴ The other enabled Chicago to spend, from the unobligated portion of its monthly allotments of state motor fuel tax revenue between July 1, 1938, and February 1, 1939, \$2,500,000 for relief.⁵

¹Laws of Illinois, 1938, 1st Special Session, 60th General Assembly, p. 1.

²Ibid., 2d Special Session, 60th General Assembly, p. 1.

³In January, 1939, relief needs were still substantially in excess of the \$2,900,000 the amount to which the monthly contribution of the state would automatically fall in February under existing legislation. In January, 1939, therefore, the 61st General Assembly made another supplemental appropriation of \$2,700,000 from general revenue to maintain the \$3,800,000 monthly figure through February, March, and April (IERC Monthly Bulletin on Relief Statistics, February, 1939, p. 36). The last appropriation (June 1, 1939) was made in April, 1939, in the amount of \$3,000,000 which, supplementing the \$2,900,000, increased the monthly total to \$4,400,000 for May and June, 1939. All existing state relief appropriations were to expire June 30, 1939 (ibid., May 1939, p. 84).

⁴Laws of Illinois, 1938, 1st Special Session, 60th General Assembly, p. 75. Only five townships in the state voted to issue such bonds (IERC Monthly Bulletin on Relief Statistics, September, 1938, p. 15).

⁵Laws of Illinois, 1938, 2d Special Session, 60th General Assembly, p. 12. This measure, like the other measures in Illinois which financed relief from that portion of the state motor fuel tax which is regularly allotted to the local governments for

TABLE 12

PERCENTAGE DISTRIBUTION OF TOTAL OBLIGATIONS INCURRED AGAINST PUBLIC FUNDS FOR GENERAL RELIEF AND ADMINISTRATION IN ILLINOIS, ACCORDING TO SOURCES OF FUNDS, BY MONTHS AND YEARS, JANUARY, 1933, THROUGH DECEMBER, 1938^a

Month And Year	Sources of Funds				Month And Year	Sources of Funds			
	Total	Federal	State	Local		Total	Federal	State	Local
Total	100.0	47.5	39.3	13.2	Dec., 1935	100.0	74.1	24.6	1.3
1933..					1936				
Total....	100.0	75.8	17.9	6.3	Total.....	100.0	1.2	82.8	16.0
January..	100.0	87.5	0.1	12.4	January....	100.0	13.2 ^b	85.1	1.7
February..	100.0	87.3	0.3	12.4	February...	100.0	0.1 ^b	98.1	2.0
March....	100.0	89.3	0.4	10.3	March.....	100.0	0.5 ^b	98.6	1.9
April....	100.0	92.1	0.4	7.5	April.....	100.0	3.0 ^b	101.2	1.8
May.....	100.0	90.5	0.4	9.1	May.....	100.0	0.3 ^b	98.4	1.9
June.....	100.0	93.5	2.1	4.4	June.....	100.0	1.3	96.3	2.4
July.....	100.0	94.4	2.2	3.4	July.....	100.0	0.1	68.4	31.5
August....	100.0	95.9	1.5	2.6	August.....	100.0	1.1	71.5	27.4
September..	100.0	50.6	46.8	2.6	September..	100.0	0.6 ^b	72.5	26.9
October...	100.0	64.6	32.9	2.5	October....	100.0	0.2 ^b	73.8	26.4
November..	100.0	33.0	64.7	2.3	November...	100.0	0.3	64.7	35.0
December..	100.0	23.8	74.4	1.8	December...	100.0	0.1 ^b	58.8	41.3
1934					1937				
Total....	100.0	67.8	31.1	1.1	Total.....	100.0	0.1	62.2	37.7
January..	100.0	48.4	49.9	1.7	January....	100.0	0.1 ^b	58.1	42.0
February..	100.0	3.2	95.0	1.8	February...	100.0	0.1	56.6	43.3
March....	100.0	0.7	97.6	1.7	March.....	100.0	0.3	55.3	44.4
April....	100.0	72.3	26.3	1.4	April.....	100.0	0.4	61.7	37.9
May.....	100.0	68.4	30.7	0.9	May.....	100.0	0.1	70.7	29.2
					June.....	100.0	0.4	68.4	31.2

June.....	100.0	70.7	28.4	0.9	July.....	100.0	0.1	65.5	34.4
July.....	100.0	64.0	35.1	0.9	August.....	100.0	0.1	62.2	37.7
August.....	100.0	68.5	30.5	1.0	September..	100.0	0.0	70.8	29.2
September..	100.0	75.4	23.6	1.0	October....	100.0	0.2	70.2	29.6
October....	100.0	84.3	14.7	1.0	November...	100.0	0.0	60.2	39.8
November...	100.0	92.9	6.1	1.0	December...	100.0	0.1	55.1	44.8
December...	100.0	94.4	4.5	1.1	1938				
1935					Total.....	100.0	0.1	64.0	35.9
Total.....	100.0	81.7	16.0	2.3	January....	100.0	0.2	45.8	54.0
January....	100.0	84.6	14.4	1.0	February...	100.0	0.2	50.7	49.1
February...	100.0	69.1	29.9	1.0	March.....	100.0	0.1	49.6	50.3
March.....	100.0	74.8	24.1	1.1	April.....	100.0	0.2	54.5	45.3
April.....	100.0	81.2	16.3	2.5	May.....	100.0	0.2	72.0	27.8
May.....	100.0	79.5	1.1	19.4	June.....	100.0	0.2	73.5	26.3
June.....	100.0	96.2	2.6	1.2	July.....	100.0	0.0	77.2	22.8
July.....	100.0	98.9	0.0	1.1	August.....	100.0	0.0	71.6	28.4
August.....	100.0	84.6	14.5	0.9	September..	100.0	0.0	75.1	24.9
September..	100.0	80.6	18.4	1.0	October....	100.0	0.0	73.0	27.0
October....	100.0	79.0	19.9	1.1	November...	100.0	0.0	68.4	31.6
November...	100.0	77.2	21.6	1.2	December...	100.0	0.0	66.4	33.6

^a IERC Monthly Bulletin on Relief Statistics, January, 1935, 1936, 1937, 1938, 1939.

^b Credit figure. Represents cancellation of obligations incurred in previous months.

Summary.--The first seven years of state relief financing in Illinois thus present a confusing patchwork of temporary and inadequate measures. It is a story of gradual and reluctant acceptance by the state of a new and expensive responsibility. It is also a story of experimental and shifting relationships of federal, state and local jurisdictions to the financing problem. It may be expected that in time the state will fully accept responsibility and relief financing achieve a much more stable basis.¹

There is, however, one great difficulty inherent in the problem of relief financing and that is the unpredictability of relief needs. Limited appropriations for public relief will always be in danger of becoming inadequate on account of unforeseen increases in the relief load. Emergency relief demands will always require emergency action. At best, therefore, relief financing can hardly hope to be entirely stable.

It hardly needs to be pointed out that the financial uncertainty of the relief program in Illinois between 1932 and 1938 was basically detrimental to good administration. Adequate financing and adequate administration go hand in hand and until the former is achieved in reasonable degree the latter can hardly be expected.

Sources of Relief Funds

With regard to the relative proportions of federal, state and local funds used for relief in Illinois in the period prior to 1939 there were three distinct periods. These may be observed in Table 12. The first ran from February 6, 1932, through

highway purposes, may be viewed either as state or local financing. They involved partial diversion from the original purpose to a new purpose of the local share of a state-administered, locally-shared tax (cf., D. Scheinman and C. Philbrook in chap. ix of Leland, op. cit.).

¹As this manuscript is being completed word comes that the 61st General Assembly has appropriated \$72,000,000 for the biennium ending June 30, 1941, to be spent at a maximum rate of \$4,000,000 per month. Expenditure at the maximum monthly rate, which is itself less than sufficient for present needs, will exhaust the appropriation in December, 1940, and once more require emergency action from the General Assembly.

December 31, 1935. It was characterized, beginning in the summer of 1932, by predominant reliance upon federal funds, substantial but varying proportions of state funds, and negligible local contributions. The second period consisted of the first half of the year 1936, during which federal funds were not available, the local share remained negligible, and general relief was financed almost entirely by the state. During the third period, July, 1936, through December, 1938, the state continued to provide the major share of the funds but local funds for the first time became substantial. Federal funds were not available.¹

Figures including local funds are not available for 1932. For the six years of 1933 through 1938 Table 13 shows the total expenditures for general relief in Illinois. The predominance of federal funds in the first three years and the relative and absolute increase of state and local funds in the last three years are apparent.

Federal funds.--By comparison with the other states (Table 14) Illinois was liberally aided by federal funds during the early period. Although it is among the wealthiest states Illinois received a larger share of its relief funds from federal sources than did 29 of the remaining 47 states, and a larger share than did the United States taken as a whole.

The percentage of federal funds to total funds obligated for relief in Illinois varied considerably from month to month, as indicated by Table 12. This variation simply reflects the ups and downs of state financing, since federal funds generally were provided to make up the difference between total needs and available state and local resources. This monthly variation in the proportion of federal funds was somewhat greater than the variation for the country as a whole, shown in Table 15. The marked decrease in the relative percentage of federal funds both in Illinois (Table 12) and in the country as a whole (Table 15) for the five months beginning with November, 1933, reflects the diversion of federal funds into the CWA program.

¹It is important to bear in mind that subsequent to December, 1935, the Federal Government continued, through the WPA program, to share heavily in the financing of unemployment relief.

TABLE 13

SOURCES OF FUNDS OBLIGATED FOR GENERAL RELIEF AND ADMINISTRATION IN ILLINOIS
BY YEARS, 1933, THROUGH 1938^a

Year	Total Funds Obligated	Sources of Funds Obligated		
		Federal Funds	State Funds	Local Funds
Total...	\$476,112,963.88	\$225,984,831.73	\$187,187,628.95	\$62,940,503.20
1933 ^b	79,107,935.59	59,966,731.01	14,193,890.40	4,947,314.18
1934 ^b	101,939,181.86	69,115,321.33	31,677,199.28	1,146,661.25
1935 ^b	117,605,325.73	96,111,664.26	18,850,858.06	2,642,803.41
1936 ^c	53,024,549.41	650,033.72	43,907,961.75	8,466,553.94
1937 ^d	58,562,162.71	84,755.48	36,409,836.64	22,067,570.59
1938 ^e	65,873,808.58	56,325.93	42,147,882.82	23,669,599.83

^aIERC Monthly Bulletin on Relief Statistics, January, 1937, 1938, 1939.

^bIncludes General and transient relief programs. Excludes (a) special programs such as College Student Aid, Rural Rehabilitation and Civil Works Service, (b) contributions by employing agencies (local governmental units and state agencies) to Commission work relief projects, (c) materials and non-relief labor furnished by the Commission for its work relief program and (d) welfare relief from local public funds.

^cIncludes all poor relief from local public funds subsequent to June 30.

^dIncludes all obligations incurred under the general relief program by (a) local relief units against state and local public poor relief funds, (b) certain counties in which obligations incurred by the county for poor farm cases are not charged to the respective townships, and (c) the Commission against state and small balances of federal funds. The last federal grant to the State of Illinois for general relief was \$5,000,000 received on December 14, 1935. Local funds include \$753,238.01 for county poor farm relief in downstate counties and \$6,356,907.30 for various county-wide relief activities paid from Cook County funds.

^eIncludes all obligations incurred under the general relief program by (a) local relief units against state and local public poor relief funds, (b) certain counties in which obligations incurred by the county for poor farm cases are not charged to the respective townships, and (c) the Commission against state and small balances of federal funds. Local funds include \$756,115.99 for county poor farm relief in downstate counties; \$1,536.00 in Cook County, outside Chicago; and \$7,271,107.42 for various county-wide relief activities paid from Cook County funds.

TABLE 14

PERCENTAGE DISTRIBUTION OF OBLIGATIONS INCURRED FOR EMERGENCY RELIEF, BY STATES, BY SOURCES OF FUNDS, FOR THE PERIOD JANUARY, 1933, THROUGH DECEMBER, 1935^a

State	Percentage of Obligations			
	Total	Federal Funds	State Funds	Local Funds
Total.....	100.0	70.9	12.8	16.3
Alabama.....	100.0	94.6	0.7	4.7
Arizona.....	100.0	84.2	13.8	2.0
Arkansas.....	100.0	96.3	0.8	2.9
California.....	100.0	67.2	16.3	16.5
Colorado.....	100.0	84.4	4.5	11.1
Connecticut.....	100.0	43.9	9.9	46.2
Delaware.....	100.0	40.5	40.6	18.9
District of Columbia.....	100.0	73.3	0.0	26.7
Florida.....	100.0	95.3	(b)	4.7
Georgia.....	100.0	93.8	(b)	6.2
Idaho.....	100.0	84.1	5.1	10.8
Illinois.....	100.0	75.4	20.1	4.5
Indiana.....	100.0	64.5	0.2	35.3
Iowa.....	100.0	57.8	10.0	32.2
Kansas.....	100.0	73.0	0.9	26.1
Kentucky.....	100.0	86.1	5.7	8.2
Louisiana.....	100.0	96.9	(b)	3.1
Maine.....	100.0	50.6	9.0	40.4
Maryland.....	100.0	72.6	22.1	5.3
Massachusetts....	100.0	52.3	0.3	47.4
Michigan.....	100.0	73.5	15.3	11.2
Minnesota.....	100.0	76.3	6.3	17.4
Mississippi.....	100.0	96.2	0.6	3.2
Missouri.....	100.0	77.4	10.9	11.7
Montana.....	100.0	88.6	1.8	9.6
Nebraska.....	100.0	76.8	(b)	23.2
Nevada.....	100.0	88.6	2.3	9.1
New Hampshire....	100.0	44.7	29.8	25.5
New Jersey.....	100.0	68.4	23.7	7.9
New Mexico.....	100.0	96.5	2.3	1.2
New York.....	100.0	53.1	17.2	29.7
North Carolina...	100.0	96.8	0.0	3.2
North Dakota.....	100.0	86.3	0.1	13.6
Ohio.....	100.0	77.8	15.0	7.2
Oklahoma.....	100.0	86.5	0.7	12.8
Oregon.....	100.0	79.4	9.3	11.3
Pennsylvania.....	100.0	70.9	23.5	5.6
Rhode Island.....	100.0	39.3	26.3	34.4
South Carolina...	100.0	98.0	(b)	2.0
South Dakota.....	100.0	89.6	0.0	10.4
Tennessee.....	100.0	93.4	2.4	4.2
Texas.....	100.0	78.9	20.0	1.1

TABLE 14--CONTINUED

State	Percentage of Obligations			
	Total	Federal Funds	State Funds	Local Funds
Utah.....	100.0	78.9	13.5	7.6
Vermont.....	100.0	56.6	0.7	42.7
Virginia.....	100.0	90.2	0.1	9.7
Washington.....	100.0	81.7	12.1	6.2
West Virginia..	100.0	88.5	8.8	2.7
Wisconsin.....	100.0	72.5	3.8	23.7
Wyoming.....	100.0	91.2	3.5	5.3

^aMonthly Report of the Federal Emergency Relief Administration, June, 1936, p. 57. Figures include obligations incurred for relief extended under the general relief program, under all special programs, and for administration; beginning April, 1934, these figures also include purchases of materials, supplies, and equipment, rental of equipment (such as team and truck hires), earnings of non-relief persons employed, and other expenses incident to the Emergency Work Relief program.

^bLess than one-tenth of one per cent.

In the years 1933 and 1935 the percentage of federal funds for Illinois substantially exceeded the percentage for the country as a whole. In 1934, however, the Illinois percentage was the lower of the two. This reflects the increased state funds available in that year from the \$30,000,000 state bond issue.¹ That resource, plus the effect of the CWA program, explains why in February and March of 1934 the percentage of state funds in Illinois was very much higher than at any other time during the period of federal aid.

State funds.--The radical variations in the monthly percentage of state funds to total relief funds (Table 12) reflect the reluctant and temporizing behavior of the Illinois General Assembly in dealing with the relief problem.

The negligible percentage of state funds in the first eight months of 1933 represents the latter part of a thirteen-month period during which the only state financing was based upon the original sales tax measure which was intended to provide

¹Supra, pp. 167-168.

relief funds beginning with May, 1933, but was promptly declared unconstitutional.¹ Beginning in September, 1933, with the income from the second sales tax law² and subsequently from the \$30,000,000 bond issue, there was an extended period of substantial state participation in relief financing.

State funds again ran short in November and December of 1934. A temporary appropriation³ raised the state percentage somewhat in the first four months of 1935. With that gone state participation again became negligible in the months of May, June and July, falling to zero in the latter month. The state share rose again in August due to funds provided through an increase in the sales tax.⁴

It is of considerable interest to note (Table 14) that Illinois ranked very high among the states in percentage of state funds to total relief funds for the period of 1933 through 1935. Only six states met a larger share of their relief costs from state funds. However, the mean figure for the nation as a whole was not radically lower than the Illinois figure, being 12.8 per cent as against 20.1 per cent. The greater state financing in Illinois was more than offset by the very small share of local funds provided in comparison with the other states.

After the termination of federal aid for general relief state funds, although often inadequate and sometimes uncertain, remained substantial and, with the exception of January and March, 1938, continuously defrayed more than half the cost of general relief in the state.

Table 13 shows that subsequent to federal aid the state provided substantially more relief money than it had before. The same was true of the local governments. It may be argued therefrom that federal aid resulted in a shirking of state and local responsibility. There is no gainsaying the fact that the state and the localities could have provided more relief money than they did during the period of FERA grants. It does not follow that federal aid for general relief per se was unsound.

The extent of state and local financial participation is

¹Supra, pp. 164-165.

²Supra, pp. 166-167.

³Supra, p. 168.

⁴Supra, p. 170.

TABLE 15

PERCENTAGE DISTRIBUTION, ACCORDING TO SOURCES OF FUNDS, OF OBLIGATIONS INCURRED FOR
EMERGENCY RELIEF FROM ALL PUBLIC FUNDS IN CONTINENTAL UNITED STATES, 1935^a
BY MONTHS AND YEARS, FOR THE PERIOD JANUARY, 1933, THROUGH DECEMBER, 1935^a

Month and Year	Relief Obligations Incurred			Month and Year	Relief Obligations Incurred		
	Federal Funds	State Funds	Local Funds		Federal Funds	State Funds	Local Funds
Grand Total, 36 months...	70.9	12.8	16.3	May, 1934	74.3	9.8	15.9
1933				June.....	73.2	9.4	17.4
Total.....	60.6	14.3	25.1	July.....	72.5	9.6	17.9
January.....	51.3	14.6	34.1	August.....	75.5	8.1	16.4
February.....	59.1	8.8	32.1	September.....	76.5	8.0	15.5
March.....	63.2	6.4	30.4	October.....	77.8	8.7	13.5
April.....	62.2	11.2	26.6	November.....	77.6	9.7	12.7
May.....	69.0	7.1	23.9	December.....	77.2	9.0	13.8
June.....	64.0	12.1	23.9	1935			
July.....	62.3	12.6	25.1	Total.....	74.4	12.3	13.3
August.....	64.8	14.2	21.0	January.....	77.3	9.7	13.0
September.....	61.2	18.7	20.1	February.....	78.5	9.2	12.3
October.....	62.2	15.7	22.1	March.....	77.7	9.8	12.5
November ^b	56.2	23.9	19.9	April.....	75.5	12.7	11.8
December ^b	49.2	30.8	20.0	May.....	76.4	10.7	12.9
1934				June.....	76.8	10.5	12.7
Total.....	72.1	12.6	15.3	July.....	77.0	9.5	13.5
January ^b	54.1	28.3	17.6	August ^c	75.6	11.5	12.9
February ^b	45.4	36.9	17.7	September ^c	73.7	13.0	13.3
March ^b	46.5	35.7	17.8	October ^c	70.8	16.0	13.2
April.....	71.8	15.3	12.9	November ^c	66.6	17.6	15.8
				December ^c	43.3	34.5	22.2

^aMonthly Report of the Federal Emergency Relief Administration, December 1 through December 31, 1935, p. 77. Figures include obligations incurred for relief extended under the general relief program, under all special programs, and for administration; beginning April, 1934, these figures also include purchase of materials, supplies, and equipment, rental of equipment (such as team and truck hire), earnings of non-relief persons employed, and other expenses incident to the Emergency Work Relief program.

^bDoes not include Civil Works program expenditures.

^cDoes not include rural rehabilitation program expenditures (program transferred to Resettlement Administration) nor college student aid expenditures (program not in operation in July and August; conducted by the National Youth Administration in September, October, November, and December).

influenced by the way in which the federal grants are administered. With the FERA grants administered solely on a basis of executive discretion the states could not be compelled to a maximum financial effort. The same was true of the local units under discretionary administration of state relief funds by the IERC. Whether relief needs could have been met during the chaotic emergency of the early 1930's without this discretionary administration is at least a debatable question. The urgency of relief needs must always be a factor in administration of relief grants-in aid. However, under a continuing program it should be possible, without forcing the poor to suffer, so to condition the grants by statute as to obtain reasonable state and local sharing of the cost.

A question must also be raised as to what share of the relief cost, with all things considered, ought to be borne by each level of government. That is a complicated and technical question. At any rate it cannot arbitrarily be said, with reference either to the period of FERA grants or the subsequent period, that the State of Illinois and/or its local units carried a larger or lesser share of the total relief cost than they properly should have carried.

Local funds.--As Table 12 clearly shows, the share of the local governments in relief financing was almost negligible throughout the period of federal aid. The local percentage was comparatively high in the first half of 1933 due to the temporary diversion of local motor fuel tax allotments for relief.¹ The financial crisis of May, 1935,² resulted in a larger local share, both relatively and absolutely, in that month.

The percentage of local to total relief funds, as may be seen in Table 14, varied widely among the states during the period of federal aid for relief. Illinois was far down in the list, there being only ten states which provided a smaller proportionate share of local funds. The Illinois figure of 4.5 per cent was markedly below the mean for the country as a whole, which was 16.3 per cent.³

¹Supra, p. 162.

²Supra, pp. 168-170.

³The figures on local funds during the period of federal aid are inaccurate in that, for Illinois, they do not include

Throughout the seven-year period the percentage of local to total relief funds varied widely among the counties of Illinois. This variation, for the periods prior and subsequent to July 1, 1936, is shown in Table 16 and Table 17, respectively. In the former period there also was wide variation among the counties in

TABLE 16

DISTRIBUTION OF ILLINOIS COUNTIES ACCORDING TO PERCENTAGE OF OBLIGATIONS INCURRED FOR GENERAL RELIEF AND ADMINISTRATION AGAINST LOCAL FUNDS TO TOTAL OBLIGATIONS INCURRED AGAINST ALL PUBLIC FUNDS, FOR THE PERIOD FEBRUARY 6, 1932 THROUGH JUNE 30, 1936^a

Percentage Against Local Funds ^b	Number of Counties
Total	102
Less than 1 per cent	12
1 and less than 2	7
2 and less than 3	8
3 and less than 4	11
4 and less than 5	12
5 and less than 6	7
6 and less than 7	7
7 and less than 8	6
8 and less than 9	5
9 and less than 10	4
10 and less than 11	4
11 and less than 12	5
12 and less than 13	3
13 and less than 14	2
14 and less than 15	2
More than 15 per cent	7

^aBiennial Report of the IERC, Covering the Period July 1, 1934, through June 30, 1936, Appendix No. 12.

^bDoes not include obligations incurred for welfare relief against local public funds.

local funds spent for "welfare relief" (cases not in need primarily on account of unemployment). It is impossible to say just how much the Illinois percentage of local funds would be increased if those expenditures could be included. The relative importance of local relief financing would not be markedly altered. Figures on local funds subsequent to the period of federal aid include all local relief expenditures. The figures for the two periods are, therefore, not strictly comparable.

TABLE 17

DISTRIBUTION OF ILLINOIS COUNTIES ACCORDING TO PERCENTAGE
OF OBLIGATIONS INCURRED FOR GENERAL RELIEF AND
ADMINISTRATION AGAINST LOCAL FUNDS TO TOTAL
OBLIGATIONS INCURRED AGAINST ALL PUBLIC
FUNDS, FOR THE PERIOD JULY 1, 1936
THROUGH JUNE 30, 1938^a

Percentage Against Local Funds	Number of Counties
Total	102
Less than 10 per cent	6
10 and less than 20	4
20 and less than 30	7
30 and less than 40	19
40 and less than 50	19
50 and less than 60	21
60 and less than 70	13
70 and less than 80	7
80 and less than 90	6

^aData furnished by the Statistical Division of
the IERC.

tax rates for poor relief. As an administrative agency the IERC was unable to effectuate equal or substantial financing efforts among the counties.¹ In the latter period there was a uniformly high tax rate enforced among the local units by statute as a condition of eligibility for state aid.² This equalization of tax rates in the state-aided units did not however, due to variations in assessment practices, accomplish equalization of local financial effort.³

Throughout the seven-year period substantially more than half of public relief expenditures in Illinois have been in Cook County (Table 18). In the period prior to July 1, 1936, only 0.6 per cent of public relief costs in Cook County were met from local funds. The median percentage among the 102 counties was 5.05. The mean percentage for the state was 1.8.⁴ The wealthy

¹Cf., F. Z. Glick, "Allocating Funds to Local Governments: The System of the IERC," 9 Social Service Review 634 (December, 1937).

²Supra, pp. 173-174.

³Infra, p. 199.

⁴IERC Biennial Report, Covering the Period July 1, 1934, through June 30, 1936, Appendix No. 12.

TABLE 18

PERCENTAGE DISTRIBUTION OF TOTAL OBLIGATIONS INCURRED
AGAINST PUBLIC FUNDS FOR GENERAL RELIEF AND
ADMINISTRATION IN ILLINOIS BETWEEN COOK
COUNTY AND ALL OTHER COUNTIES COMBINED,
BY YEAR, 1933, THROUGH 1938^a

Year	Total	Cook County	All Other Counties	Undis- tributed Items ^b
Total	100.0	65.9	32.1	2.0
1933 ^c ...	100.0	76.6	22.6	0.8
1934 ^c ...	100.0	60.3	37.0	2.7
1935 ^c ...	100.0	60.6	36.7	2.7
1936 ^d ...	100.0	67.4	30.9	1.7
1937 ^e ...	100.0	68.1	30.0	1.9
1938 ^f ...	100.0	67.6	30.6	1.8

^aIERC Monthly Bulletin on Relief Statistics, January, 1937, 1938, 1939.

^bIncludes relief given by the Federal Transient Division through November, 1935, and IERC overhead. The latter, subsequent to June 30, 1936, includes obligations incurred by the Commission for state-wide administrative activities, distribution of federal surplus commodities, and certification of eligibles for federal work programs.

^cFootnote b, Table 13.

^dFootnote c, Table 13.

^eFootnote d, Table 13.

^fFootnote e, Table 13.

metropolitan area could reasonably have been expected to provide substantial local funds. That it completely failed to do so largely accounts for the poor showing of Illinois in local relief financing during the period of federal aid for direct relief (Table 12).

After mid-1936, compelled to make substantial local relief levies in order to obtain state aid, Cook County made a much better showing. Even then, however, it paid a smaller part of its relief bill from local funds than did a majority of the other counties or than all the other counties taken as a whole. For the biennium ended June 30, 1938, the percentage of total costs met from local funds was 38.8 for Cook County. The mean percentage for all other counties was 39.2 and the median for all

counties was 49.05.¹

Allocating Funds to Local Units²

A system of financial aid to a public service in a subordinate unit of government may vary all the way from a simple paying over of funds with no questions asked to a complete domination of the aided service by the superior jurisdiction which makes the grants. Likewise the statutory provisions and administrative methods within that wide range are subject to many possibilities.

When, in the early years of the depression, federal and state aid were catapulted into the field of general relief the demand for help was of such unprecedented volume and urgency that procedures for financial aid to the localities were set going necessarily in great haste and with little planning. The administration of state aid for relief in Illinois for the seven years beginning in February, 1932, presents a varied experience. A system of residual grants based on need characterized the entire period. State control over expenditure was, for the first four and one-half years, tantamount to direct state administration. In 1936 control and supervision by the state were virtually abolished. As of January 1, 1939, the system was one of limited supervision.

Administrative discretion prior to July 1, 1936.---The statute which created the IERC was silent on the subject of apportioning the state funds,³ thus leaving that important function to administrative discretion. Extended from time to time that statute remained in effect until July 1, 1936. The Commission early adopted the following policies with respect to allocations of funds:

¹Data furnished by the Statistical Division of the IERC.

²Cf., Anita Wells, "The Allocation of Relief Funds by the States among Their Political Subdivisions," Monthly Report of the Federal Emergency Relief Administration, June, 1936, pp. 56-87.

³Laws of Illinois, 1932, 3d Special Session, 57th General Assembly, pp. 191-192.

1. In making allocations of State funds, the county shall be the territorial unit. . . .
2. Applications to the Commission for relief shall be made through official action of the County Board of Supervisors or County Board of Commissioners as the case may be, except where, for any reason, the County Board does not take such official action, and need for relief is apparent, then application may be made by any municipal official, qualified relief agency or citizen of the county.
3. The need for State funds in any county shall be established through investigation by field representatives of the Commission, and by presentations by representatives of the local community, which shall take into account the facts with respect to the extent of economic need, and the local financial resources from tax funds and from private sources for relief purposes. Allocations by the Commission shall be made only after the local needs and resources are definitely known and shall supplement the local resources and not supplant them.
4. Allocations for relief in counties shall be made for limited periods of time, usually from month to month, the allocation for each period being made in accordance with the developing degree¹ of need and the quality of administration by the local agent.

The above policies continued in effect without important modification throughout the four and one-half years of relief administration by the IERC. Allocations² immediately began to be made to counties as they applied and were found in need. Cook County was the first to receive assistance and most of the other populous counties were soon found to require help. However, as is indicated by Table 19, the number of counties receiving assistance increased gradually and two years passed before every one of the 102 had been aided. As would be expected however the counties immediately needing aid were those with large and highly urban populations and with relatively high unemployment ratios. On April 30, 1932, three months after state funds became available, only 16 counties were receiving such aid, but they contained 68.9 per cent of the population of the state.³ The last

¹First Interim Report of the IERC (April 15, 1932), p. 7.

²Prior to July, 1936, no state relief funds were actually paid over to local governments. Allocations were in credit, against which the county relief administrations incurred obligations which were then paid by the IERC.

³IERC Biennial Report, Covering the Period July 1, 1934, through June 30, 1936, p. 23.

TABLE 19

NUMBER OF COUNTIES MAKING COMMITMENTS AGAINST
COMMISSION FUNDS, BY MONTH, FEBRUARY, 1932,
THROUGH JUNE, 1934^a

Month and Year	Number of Counties Making Commitments during Given Month or Any Prior Month	Number of Counties Making Commitments of \$100 or over during Given Month
February, 1932	4	4
March.....	6	6
April.....	16	16
May.....	25	25
June.....	29	29
July.....	40	40
August.....	46	45
September.....	54	54
October.....	56	55
November.....	62	61
December.....	64	50
January, 1933.	64	42
February.....	65	39
March.....	65	52
April.....	65	58
May.....	69	56
June.....	70	58
July.....	70	62
August.....	70	64
September.....	70	66
October.....	78	70
November.....	93	87
December.....	100	91
January, 1934.	102	99
February.....	102	99
March.....	102	101
April.....	102	101
May.....	102	102
June.....	102	102

^aIERC Second Annual Report, Covering the Period February 6, 1933, through the Fiscal Year Ending June 30, 1934, p. 24.

32 counties, receiving state aid for the first time in the winter of 1933-34, comprised only 6.9 per cent of the population of the state.¹

The third among the Commission policies above quoted is

¹
Ibid , p. 25.

evidence that the Commission at once conceived the function of state relief funds to be provision for the residue of relief needs above local resources in the communities of the state. As counties applied for aid or continued to receive it the task of the administrative staff became one of determining each month what those needs and resources were in each case. In the early months each District Representative obtained the figures as best he could and prepared a report with recommendations as a basis for action by the Commission. Soon however the procedures became formal and uniform and were supervised by the Financial Examiner under the Chief Statistician.

The Commission itself never formally defined either "need" or "local resources." The working interpretation of the two terms was nevertheless quite clear. The local need amounted to the number of families and individuals to whom the county relief administration had to give assistance, multiplied by the expenditure per case which it thought necessary and proper. These two fundamental factors of case load and relief standard were primarily controlled by the county relief administration. That administration, however, was not an independent authority but rather a creature of the IERC and subject to its control. The Commission and its staff were therefore free to question both the case load and the relief standard.

On this point hinges a basic practical difference between the allocating of state relief monies during the period prior to July, 1936, and the period subsequent thereto. In the former period administration of state funds was under state control. The data which substantiated need for state aid were therefore directly obtained, uniformly arrived at and thoroughly dependable. In the latter period the administration of state and local funds was vouchsafed almost unconditionally to 1,454 independent local units with very little state supervision. The data upon which need estimates were based, due to widely varying administrative practices, could not be uniformly arrived at or thoroughly dependable. The IERC did prescribe uniform blanks and procedures for certifying requests for state funds and often questioned the estimates submitted by local officials. Those measures probably served to minimize the basic discrepancies but could not rectify them.

Local resources meant the amount immediately available from the local property levy for poor relief. Those funds were spent by the local overseers of the poor who were generally expected to provide relief in all cases of chronic dependency and beyond that for as many unemployment relief cases as the funds made possible. The existence of independent IERC and poor law relief authorities, operating side by side in each community made for confusion, both in financing and administration.

Certain other items entered into the total of local resources. Private funds were taken into consideration but as the depression wore on they seldom were available to any significant extent for unemployment relief. The temporary legislation which permitted counties to divert motor fuel tax funds and issue bonds for relief late in 1932 and early in 1933¹ made available substantial local resources which were taken into consideration by the IERC. Table 19 reflects the fact that beginning in December, 1932, that resource enabled a number of counties to do without state aid for several months.

The Commission many times expressed concern about the meager share being taken in unemployment relief by revenue from the local poor relief levies. More than once, by formal communication to the counties, it urged upon the local taxing units what it believed to be a fair levy rate for relief purposes. But the intentions were better than the results. When it came time to make allocations no attempt was ever made to force a fair and equal level of local tax rates by withholding state or federal funds. Within the limits of available funds the Commission always made allocations on the basis of current needs in excess of currently available resources.

During 1934 it became possible to develop an allocating system calculated to put a premium on local financial effort. The share used by each local unit from the proceeds of the \$30,000,000 bond issue had eventually to be paid out of the state motor fuel tax allotments to that unit.² During the months when the proceeds of the bonds were being allocated by the IERC additional funds were concurrently available from FERA grants. The counties naturally preferred the "free" federal money. The IERC

¹Supra, pp. 162-163.

²Supra, pp. 167-168.

set up a reward-and-penalty device by which it determined the proportions of state and federal funds allocated to each county in relation to local financial effort. Relatively greater local effort was rewarded with a relatively larger proportion of federal funds in the allocation from the IERC. Two factors were taken into consideration in the formula by which the relative proportions of state and federal money to go to each county was determined. One was the average tax rates levied for poor relief by the townships in the county for 1934. The other was the percentage of public unemployment relief expenditures actually being supplied from local public sources for the month covered by the allocation.

The system of allocating relief funds by administrative action on the basis of residual needs was also employed by the FERA in administering federal aid to the states.¹ During 1935 the FERA sought to make federal grants contingent upon provision of funds within each state on the basis of financial ability. A highly complicated method of determining such ability and arriving at an amount which could be demanded of each state was devised.² The amount set for Illinois was \$3,000,000 per month. During 1935 the FERA sought, without much success, to condition the residual grants of federal money upon provision of that amount each month within the state.³

¹The only exception was the matching basis applied to one-half of the first appropriation to the FERA. That device was in effect only during a few months in 1933 and the other half of the appropriation was concurrently available for administration on a basis of need. Cf., supra, pp. 165-166. For a discussion of federal relief grants see E. A. Williams, Federal Aid for Relief (New York: Columbia University Press, 1939).

²For a description of the method see Expenditure of Funds--Federal Emergency Relief Administration, 74th Congress, 1st Session, Senate Document No. 56, 1935, pp. xi-xvii. Speaking of the success of this administrative method the Federal Emergency Relief Administrator has written that "In the main, our efforts to urge state and local communities to contribute large amounts were successful without our resorting to drastic means. In some instances the effort resulted in a public fight in which we were not always successful" (Harry L. Hopkins, Spending to Save [New York: Norton & Co., 1936], p. 98). For a critical discussion of the administration of relief grants by the FERA see V. O. Key, Jr., The Administration of Federal Grants to States (Chicago: Public Administration Service, 1937), pp. 349-353.

³Supra, pp. 168-170.

Statutory prescription after July 1, 1936.--When responsibility for administration of state relief funds was transferred from the IERC to the local governments on July 1, 1936, the system of apportioning the funds was also changed. Instead of remaining a matter for administrative discretion the method of apportionment was from that time on prescribed by law.

Beginning with July, 1936, the Commission was required to apportion the state funds among the counties in the ratio of their relief needs. The need of each county was to be determined monthly by certification of the county board to the IERC of the relief necessary to be furnished in the county during the coming month. The needs thus certified to the Commission could be questioned only by summoning the county to appear before the Commission and substantiate its requisition.¹ Upon the advice of the Attorney General of Illinois² "need" was interpreted to mean the relief requirements of the local unit in excess of available local funds. For the months of July, August, and September, 1936, available state funds were prorated among the needy localities on this basis.³

According to the advice of the Attorney General available local funds were computed not on the basis of actual public money locally in hand but according to a monthly prorated portion of the current tax levy for relief. This plan was unrealistic because some local units had not yet collected the current levies

¹Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, p. 27. The County Board estimated total need of the county, including all townships, and submitted the requisition to the Commission, together with figures on local tax funds. Upon certification by the Commission to the State Auditor the amount allocated to the county was paid over to the County Treasurer, who in turn redistributed the total among the townships by authority of the County Board. The estimates submitted by the local officials to the IERC were carefully analyzed. Actually they were often revised, usually after consultation with the local officials, when they appeared clearly out of line with previous experience of the local units concerned (interview with the Chief Statistician of the IERC).

²"Letters and Opinions of the Honorable Otto Kerner, Attorney General of Illinois, December 10, 1935, to July 15, 1936, to the IERC," pp. 34-35 (mimeographed by the IERC).

³Cf., IERC Biennial Report, Covering the Period July 1, 1936, through June 30, 1938, pp. 23-24.

and were unable to market anticipation warrants.¹ In September, 1936, of the \$3,000,000 of state funds available only \$2,655,133 was allocated because that was the difference between total relief needs and available local resources so calculated.²

Many small townships, especially those in rural areas, were found, on this basis, to have sufficient local resources with which to meet their relief problem fully. Table 20 shows how many units were and were not found in need of state funds during the three-months period.

TABLE 20

LOCAL GOVERNMENTAL UNITS NEEDING STATE RELIEF FUNDS
JULY, AUGUST, AND SEPTEMBER, 1936^a

Governmental Unit	Number of Governmental Units						
	Total	Needing State Funds			Not Needing State Funds		
		July	Aug.	Sept.	July	Aug.	Sept.
All units	1,454	922	739	538	532	715	916
City of Chicago	1	1	1	1	0	0	0
Townships, Cook County.....	30	30	28	16	0	2	14
Townships, 84 downstate counties.....	1,406	874	693	504	532	713	902
Non-township downstate counties.....	17	17	17	17	0	0	0

^aIERC Monthly Bulletin on Relief Statistics, August, September, and October, 1936.

At the close of September, 1936, further legislation changed the basis of allocation from what had been called "net needs" to one of "gross needs." The statute required that the state funds be apportioned in ratio to the total relief needs of each unit and not to relief needs in excess of local relief

¹Leland, op. cit., chap. ix.

²IERC Monthly Bulletin on Relief Statistics, January, 1937, p. 15.

funds.¹

Thus every local unit which had any relief cases at all was eligible for some share of the state money and in October, out of a possible 1,454 units, all but 79 downstate townships received an allocation.² State funds went to some units whose own resources were fully sufficient for their needs. At the same time other units with meager resources and heavy demands went short of funds.³

Beginning in November, 1936, an important new factor entered into the method of allocating state funds. The General Assembly, in its determination to elicit substantial local sharing in relief costs, had given the local units time in which to make special levies⁴ and then required that after November 1 only those units would be eligible for state aid which had levied the maximum amount of thirty cents per \$100 of assessed valuation for poor relief.⁵

This requirement served to eliminate from participation in state funds those units which, by levying at a rate less than the maximum, could provide for their own needs. But it also left relief needs unmet in certain local units which, in the face of a substantial relief problem, refused to levy enough taxes to become eligible for state aid.⁶

With the inauguration of this requirement basic responsibility for relief, financial as well as administrative, was really placed upon the local poor law units. From February, 1932, until

¹Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, p. 14. The wording of the law was: ". . . amounts to be in ratio of the total amounts from all resources required to be expended for the care and support of poor and indigent persons. . . ."

²IERC Monthly Bulletin on Relief Statistics, November, 1936, p. 6.

³IERC Biennial Report, Covering the Period July 1, 1936, through June 30, 1938, p. 24.

⁴Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, p. 79.

⁵Ibid., p. 14.

⁶Instances of this were rare (interview with the Chief Statistician of the IERC).

November, 1936, the state said, in effect, to the needy poor and unemployed: "The State will see that you get assistance." After November, 1936, this was changed to: "If the local unit does not make a substantial effort to aid you the state will not help you either." Remarkably few needy persons have gone unassisted on account of local failure to comply with the statutory requirement for local financial effort.

The requirement of a specified tax rate as a condition for state aid was undoubtedly intended to, and apparently did, impose an equal burden upon all local units participating in such aid. As a matter of fact this was not true because the uniform rates of levy are applied to widely varying assessment ratios, over which there has been no state control in Illinois since abolition of the property tax for state purposes in 1933.

Not only has this meant that local units have not assumed an equal burden. With state aid based on residual need it has meant that the local unit assuming the lesser burden, by assessing property at a lower value for taxation purposes, has received relatively greater assistance from state funds, and vice versa.¹

Furthermore, the application of the eligibility requirement to the seventeen non-township (commission form of government) counties took an inequitable form. The county property tax levy is constitutionally limited to seventy-five cents per \$100 of assessed valuation. Most of these seventeen counties were unable to add the thirty cents to already high rates and stay within the constitutional maximum. By a ruling of the Attorney General such counties were allowed to vote the thirty-cent levy, add it to their total levy, and then proportionally scale down all items² therein so that a total rate of only seventy-five cents might actually be extended.³ Thus, many of the non-township counties were able to qualify for state aid with actual pauper taxes of less than the maximum.⁴

¹Leland, op. cit., chap. ix.

²Excepting fixed items which cannot be reduced, such as levies for bonded obligations.

³IERC Biennial Report, Covering the Period July 1, 1936, through June 30, 1938, p. 24.

⁴IERC Monthly Bulletin on Relief Statistics, June, 1937,

Of the 1,454 responsible local units 736 had, by November 1, 1936, made a special levy at the maximum rate and became eligible for continued state aid.¹ Of the remaining units 587 had made a special levy of less than the maximum and 131 had made no levy. Thenceforward until May, 1937, approximately one-half the total units were eligible for and received state funds. The other one-half either declined or did not need to make the maximum local levy. The townships voted new levies in April, 1937, with the result that an increased number made themselves eligible for state aid. Table 21 shows the exact number of local units certified for state aid by the IERC, monthly, from July, 1936, through December, 1938.

The thirty-cent local pauper levy is still in effect (June, 1939) as a condition for participation in state aid. The gross needs basis for apportioning state funds among eligible local units was changed to a basis of net needs, beginning in August, 1937. Since then the IERC has determined the need of each unit by deducting from its total relief need a monthly prorata share of available local resources.² In order to ascertain the available resources the Commission has had to obtain complete information on levies made, taxes extended and collected, and obligations incurred

p. 16. "Under this limit nine of the commission counties (all receiving state relief funds) have extended 1936 poor relief taxes of less than 30 cents, including one (Alexander County) which extended no 1936 poor relief tax whatsoever since its taxes for all other county purposes totaled 75 cents." Prior to extension of the 1936 pauper levies certain confusion existed with reference to the non-township counties, with the result that some of them, including Alexander, did not follow the scaling procedure (interview with the Chief Statistician of the IERC).

¹Interestingly enough, six of these units requested that no state funds be allocated to them for November as their funds were sufficient for their relief needs (IERC Monthly Bulletin on Relief Statistics, November, 1936, p. 12).

²Laws of Illinois, 1937, p. 276. The statute provides that the amounts to be allocated monthly "... shall be determined by deducting from the total amount necessary monthly for relief of needy persons in the governmental units the sum obtained by dividing seventy-five per cent (75%) of the available resources for relief purposes of such units including the current year's levy for relief purposes by the number of months from the date of such allocation to the end of the period authorized for making the next tax levy or by twelve, whichever is the lesser number."

from local funds.¹

TABLE 21

LOCAL RELIEF UNITS CERTIFIED FOR STATE
RELIEF FUNDS BY THE IERC: JULY, 1936
THROUGH DECEMBER, 1938^a

Month and Year	Local Relief Units		
	Total Number	Number Certified	Number Not Certified
July, 1936.....	1,454	922	532
August.....	1,454	739	715
September.....	1,454	538	916
October.....	1,454	1,375	79
November.....	1,454	736	718
December.....	1,454	732	722
January, 1937.....	1,454	735	719
February.....	1,454	735	719
March.....	1,454	733	721
April.....	1,454	733	721
May.....	1,454	825	629
June.....	1,454	827	627
July.....	1,454	826	628
August.....	1,454	488	966
September.....	1,454	496	958
October.....	1,454	489	965
November.....	1,454	481	973
December.....	1,454	490	964
January, 1938.....	1,454	514	940
February.....	1,454	523	931
March.....	1,454	528	926
April.....	1,454	490	964
May.....	1,454	547	907
June.....	1,454	536	918
July.....	1,454	530	924
August.....	1,454	510	944
September.....	1,454	518	936
October.....	1,454	534	920
November ^b	1,455	547	908
December.....	1,455	540	915

^aIERC Monthly Bulletin on Relief Statistics, January, 1938 and 1939.

^bA new township created.

¹IERC Biennial Report, Covering the Period July 1, 1936, through June 30, 1938, p. 25.

This plan of apportioning state relief funds was fairer and more realistic than either the net needs plan used in the third quarter of 1936, which deducted a pro rata share of the current local levy regardless of funds actually available, or the subsequent gross needs plan which ignored local resources.

The effect of the plan was a substantial reduction, beginning with August, 1937, as reflected in Table 21, in the number of local units receiving state aid. It became possible to withhold state funds from those units whose own resources were sufficient for their needs and to increase the allocations to those others whose needs were greatly in excess of local resources. Table 22 makes clear that under this system a majority of the local units have not received state aid and that the reason, in a substantial portion of the cases, was that, although eligible, they did not need it. There was one later revision in the legal formula for allocation of relief funds by the IERC but it made no practical change in the procedure.¹

Evaluation of IERC allocating methods.--The provision of financial grants-in-aid from superior to subordinate governmental levels has become quite common. The phenomenon is not new either in this country or abroad. A now classic work on the subject was written almost thirty years ago by the British social economist, Mr. Sidney Webb.² However, the practice has greatly increased during the past two or three decades and during the 1930's has come into especially prominent use in the financing of public social services. Needless to say there are many knotty problems related to administration of grants-in-aid; and the subject has recently been given much attention by students of public administration and finance.³

Perhaps the first question to raise about any system of

¹Laws of Illinois, 1938, 1st Special Session, 60th General Assembly, p. 5. It was provided that local resources should be ". . . the amount which, upon thorough investigation, is determined by the Commission can be made available from taxes levied upon real and personal property . . ." which was just what the IERC had been doing under previous legislation.

²Sidney Webb, Grants in Aid (London and New York: Longmans Green & Co., 1911).

³See, for example, Key, op. cit.

TABLE 22

LOCAL RELIEF UNITS NOT CERTIFIED FOR STATE AID BY THE IERC: AUGUST, 1937, THROUGH DECEMBER, 1938^a

Month And Year	Total Relief Units	Total					Local Resources Sufficient				Ineligible			
		All Units	Townships in Cook County ^b	Townships in 84 Downstate Counties	Non-Township Downstate Counties	All Units	Townships in Cook County	Townships in 84 Downstate Counties	Non-Township Downstate Counties	All Units	Townships in Cook County	Townships in 84 Downstate Counties	Non-Township Downstate Counties	
August, 1937..	1,454	966	17	943	6	343	14	324	5	623	3	619	1	
September.....	1,454	958	16	936	6	334	13	316	5	624	3	620	1	
October.....	1,454	965	17	943	5	341	14	324	3	624	3	619	2	
November.....	1,454	973	18	951	4	348	15	331	2	625	3	620	2	
December.....	1,454	964	18	942	4	338	15	322	1	626	3	620	3	
January, 1938.	1,454	940	14	922	4	313	11	301	1	627	3	621	3	
February.....	1,454	931	12	916	3	301	9	292	0	630	3	624	3	
March.....	1,454	926	12	911	3	296	9	287	0	630	3	624	3	
April.....	1,454	964	14	947	3	334	11	323	0	630	3	624	3	
May.....	1,454	907	9	894	4	182	2	179	1	725	7	715	3	
June.....	1,454	918	9	906	3	207	2	205	0	711	7	701	3	
July.....	1,454	924	10	910	4	216	3	212	1	708	7	698	3	
August.....	1,454	944	10	929	5	237	3	232	2	707	7	697	3	
September.....	1,454	936	11	920	5	230	4	224	2	706	7	696	3	
October.....	1,454	920	10	908	2	213	3	210	0	707	7	694	2	
November.....	1,455	908	11	895	2	201	4	197	0	707	7	698	2	
December.....	1,455	915	12	901	2	207	5	202	0	708	7	699	2	

^aIERC Monthly Bulletin on Relief Statistics, September, 1937, through January, 1939.^bThe City of Chicago was certified for state aid each month and therefore does not appear in the table.^cThe total 1,454 relief units consisted of the City of Chicago, 30 townships in Cook County outside Chicago, 1,406 (after October, 1938, 1,407) townships in 84 downstate counties, and 17 downstate counties with the commission form of government (non-township).^dA new township created.

state aid concerns the wisdom of having it at all. In the case under discussion here the real question was not the wisdom of state aid but rather a question of maintaining human life and public safety. The demands for unemployment relief so overwhelmed the resources of local government as to leave the state no choice. The same was true of federal aid to the states. Prior to the first state and federal appropriations there was strong opposition to relief grants-in-aid on grounds of wise policy, and there is still such opposition; but principles were overridden by stark necessity.¹

The methods of apportioning and administering are of great importance and subject to great variation.² The chief characteristic of the IERC system was that it undertook always to meet the residue of need unmet from local resources. Federal and state aid for relief generally employed this residual grant method. The nature of relief needs required it. Grants-in-aid of other types of public service, such as highway construction for example, don't have to be so concerned about needs because they are not urgent. Even with regard to categorical public assistance services financial grants can temporarily escape the dominant consideration of total needs, because the categorical program is buttressed by the general relief program. But general relief itself is the last ditch of human protection and financing there cannot escape the primary and immediate consideration of total needs.

A grant-in-aid program usually includes a systematic conditioning of the grants from the superior unit upon required financial participation by the receiving unit, often provided by statute. During the period prior to July, 1936, when the IERC was responsible for relief administration this feature was almost wholly lacking.³ The reasons were several.

¹Cf., chap. 1, supra.

²For a discussion of several different methods of apportioning see J. Roy Blough, "Equalization Methods for the Distribution of Federal Relief Funds," 9 Social Service Review 423 (September, 1935).

³For further discussion of IERC allocations in this period see F. Z. Glick, "Allocating Funds to Local Governments--The System of the IERC," 9 ibid. 634 (December, 1937).

In the first place the law which created the IERC made no mention of apportioning the state funds among local units. This function was left wholly to administrative discretion and it is difficult for an administrative body to establish and obtain compliance with a rigid requirement for local participation. In the second place state relief money in this period was essentially state-administered. It probably would have been impossible to enforce state regulations with respect to local funds while the local relief authorities had no voice in the administration of state funds. Legally the state and local relief agencies were entirely independent of each other. In the third place the uncertain existence of the IERC, the hand-to-mouth appropriations of state relief money and the statutory shifting back and forth of relief responsibility between the townships and counties, made the general situation so unstable as almost to preclude the development of steady state-local financial relationships. In the fourth place the exhausted financial condition of many townships and counties and the slowness of the local property tax discouraged the planning of local participation under emergent conditions. Finally, the emergent nature of relief needs made practically impossible the withholding of state funds to enforce local participation. The Commission could have faced neither its own conscience nor public opinion had it at any time locked its purse while people suffered.

The IERC could only urge substantial poor relief levies upon the local units,¹ knowing full well, as did the localities also, that regardless of local funds available state funds would be allocated. The result was that during the period of relief administration by the IERC there was a wide variation in local levies for relief, with most of them quite low.²

After the return of relief responsibility to the local governments in the middle of 1936 the basic system of allocating

¹For example, in March, 1935, the Commission approved a communication to all County Emergency Relief Committees urging adequate levies upon the local units (Minutes of IERC meeting on March 8, 1935).

²For example, in 1934 the composite of poor relief levies in only 3 counties was as high as 30 cents--the rate since required by statute as a condition of eligibility for state funds. Cf., Glick, op. cit.

state funds continued to be one of supplying residual needs.¹ The system has been substantially modified however by the statutory requirement of a specific rate of levy for poor relief as a condition of eligibility for state aid. After that was done the essentially sound theory of Illinois relief financing has been that state funds should be used to equalize, on a need basis, the resources of all units which found insufficient an equal maximum local effort. With the requirement made by law upon local units wholly responsible for administration of state and local funds, and with a somewhat more stabilized relief situation the scheme has worked reasonably well.

The theoretical equality of the plan has not been true in practice. It has already been noted that, due to the variation in local assessment ratios and the constitutional limit on the taxing power of the non-township counties, the equal rate of levy has by no means meant an equal burden.

A system of state aid may finally be appraised according to the effect it has upon the scope and quality of the service aided. During the period prior to July, 1936, personnel qualified by training and experience to direct administration of relief funds found its way into practically every county in the state. Subordinate personnel locally employed was constantly improved by means of competent supervision and in-service training. Sympathetic treatment of clients was accomplished generally and likewise intelligent use of all resources available in the state for enhancing the well-being of the relief clientele. Financial control was rigidly exercised. Accounts were accurately kept and completely audited; business-like methods of disbursement were at all times effective; and hundreds of cases of fraud involving vendors, employees and clients were sternly dealt with all over the state. Finally, a system of relief statistics was developed which made comprehensive information about the relief situation in Illinois available for the first time. Generally speaking, under a system of federal and state aid, federally supervised and largely state-administered the relief service was of a high

¹The period of October, 1936, through July, 1937, may be regarded as an exception in that state funds were apportioned according to gross needs of the local units and without regard to available local resources.

calibre theretofore largely unknown in the local communities of Illinois.

With the legislation effective in July, 1936, all that came to an end. State aid with direct state control was supplanted by state aid with a bare minimum of state supervision. Although many local units retained personnel and procedures which had been set up by the IERC, thus profiting from the work of the Commission, the only authority left with the state agency was to question the figures submitted by a local unit when requesting state aid. On their own request the administrative procedures of a limited number of local units were carefully studied and improvements recommended.¹

Legislation effective in July, 1938, gave the IERC authority to prescribe rules and regulations for relief administration in local units receiving state aid and to withhold allocations in cases of non-compliance.² Accordingly the Commission issued a manual setting forth basic policies and administrative controls as eligibility requirements for state aid,³ and otherwise increased its supervisory function.⁴ There has thus been a natural and increasing tendency since 1936 to develop that state influence over administration which should accompany state financial assistance.

It may be concluded that under the present (June, 1939) system of local relief administration in Illinois no amount of supervision extended alongside the financial assistance of the state could bring about the quality of relief service to which both the needy and the taxpayers are entitled. There are 1,455 independent relief units, all but 18 of which are townships and most of them very small. The City of Chicago and many of the more populous downstate units, partly in consequence of the

¹IERC Biennial Report, Covering the Period July 1, 1936, through June 30, 1938, pp. 34-39.

²Laws of Illinois, 1938, 1st Special Session, 60th General Assembly, pp. 5-6.

³Guide for Relief Control, issued by the IERC, August 4, 1938.

⁴The Relief Problem in Illinois; a Report to the Governor and General Assembly, by the IERC, December 30, 1938.

earlier experience under the state and federal program, do administer relief in accordance with modern public assistance practices.

However, the basic law is the old pauper act and in the vast majority of the local units relief is administered directly by petty elected officials serving as overseers of the poor. After reviewing the case loads and relief practices of seventeen downstate units between May, 1937, and July, 1938, the IERC summarized as follows the most significant practices discovered. Lack of basic case records precluded any systematic control of the relief needs of individual families or justification for the public funds expended; office procedures and financial records were unsystematized and inadequate; services of other public agencies were duplicated; the resource of the federal work programs was not fully utilized; many assets were disregarded when accepting families for relief; there was a lack of staff organization and supervision.

Less than half of all the cases reviewed were approved by the IERC staff for relief. Although this review covered only seventeen units with an aggregate case load of about 8,000 it was concluded that "there is considerable evidence that effective policies and procedures for control have not been applied in numerous local units throughout the State."¹

Only when Illinois enacts a modern public welfare statute, embracing effective county organizations integrated with an effective state authority, can the state grants-in-aid for general relief achieve their proper wholesome effect upon the quality of the relief service.

The Question of Administrative Cost

The subject of administrative expenditures in the IERC program deserves especial attention. It should be obvious that substantial expenditure for administration of a public relief program is not only inescapable but absolutely essential to

¹IERC Biennial Report, Covering the Period July 1, 1936, through June 30, 1938, pp. 36-39. The IERC points out that not all of the cases recommended for closing represented inefficient administration, and that the statutory limit of 5% for administrative cost was a factor in administrative adequacy.

efficiency and economy. Nevertheless, the public does not clearly recognize this fact. In the public mind the ancient concept of charitable giving conflicts with and largely outweighs modern ideals of public administration.¹

Not only is there this widespread aversion to spending money in the process of giving relief. There is also an unresolved question among public welfare administrators as to what the administrative cost of a public relief service should be. No one knows for certain how expensive administration of relief needs to be to achieve maximum economy of both human and financial resources.

Measurement of administrative cost.--One great practical difficulty is the lack of a satisfactory measurement of administrative cost. It is most commonly expressed as a percentage of total expenditures for the relief program. This kind of measure reflects primarily not the adequacy of administrative provisions but rather the adequacy of relief allowances. Obviously, of two or more units in which other factors, such as administrative set-up and case load, are about the same, the one with the most liberal relief allowances will show the lowest percentage of administrative cost. A unit with inadequate administrative provisions, resulting in excessive or unnecessary relief expenditures, would make a more favorable showing (a lower percentage of administrative cost) than another unit in which the opposite was true.

Furthermore, the total money expenditure of a relief program does not represent the sum total of its productive work. Beyond expression in terms of money is the conservation of human resources by competent relief administration. Even so far as dollars and cents are concerned the administrative costs of the IERC included distribution of many thousands of dollars worth of surplus commodities and the valuable results of work relief projects. Inadequate administration results in waste whereas good administration results in conservation. All these important factors are left out of account when cost of administration is computed simply as a percentage of actual total expenditure.²

¹Cf., chap. iii, pp. 78, 112.

²Cf., IERC Monthly Bulletin on Relief Statistics, March, 1935, pp. 9-10. Also, Expenditure of Funds--Federal Emergency

The only other measure of administrative cost used by the IERC was obtained through dividing total administrative cost by case load to get the administrative cost per case. This is a much better measure than the percentage of total expenditure because it eliminates the factor of relief standards.

The percentage of total expenditure persisted as the usual method of stating administrative cost because the public demanded to know what part of the relief appropriations was not going to the clients.

No measurement of administrative cost is of much value unless it can be related to a standard or norm. The administrative staff of the IERC attempted at one time to establish 10 per cent as a maximum administrative cost. This was a purely arbitrary figure and, due to the variations in relief standards of the county relief administrations, could not be enforced in all cases. The standard personnel plan¹ under which the amount of personnel, by classifications, was standardized according to size of case load, was an effort to establish a logical norm for personnel costs. However, the knotty problem of a satisfactory standard for administrative cost was not solved.

It is entirely proper in a public assistance program to distinguish between administrative cost and service cost. The efforts of case workers toward rehabilitation and preservation of morale represent direct benefit to the client just as does the material relief which preserves physical health and comfort. The IERC did not attempt to make this distinction. All expenditures for other than material relief were included in administrative costs. Thus it is impossible to say what part of the so-called administrative expenditures represented expenditures for service to clients. Certainly it was a substantial part. Obviously the separation of administrative and service expenditures is not a simple task. However, any realistic analysis of public relief administration must take the matter into account.

Administrative control prior to July 1, 1936.--Prior to July, 1936, the IERC was responsible for relief administration

Relief Administration, 74th Congress, 1st Session, Senate Document No. 56 (1935), pp. xviii, xix.

¹Supra, chap. 111, pp. 72-73.

and the administrative organization in each county was the result of administrative judgment of the IERC and the County Emergency Relief Committee, exercised under constant public pressure for low administrative cost. The average administrative cost for each county during the entire period of state relief administration is given in Table 23. Two facts bear particular notice. The mean figure for the entire state was 9.9 or approximately 10 per cent. This was the figure commonly regarded as proper and was approximated not only in Illinois but, for the first nine months of 1934 at least, the country over.¹ On the other hand, among the counties of Illinois the figure varied all the way from 6.1 per cent for DuPage to 19.3 per cent for Monroe.

Although the percentage of administrative to total expenditure for the state as a whole was 9.9 for the entire period of state administration, the figure varied considerably from month to month, as shown in Table 24. The highest point occurred in February, 1934, at which time the relief rolls had been reduced by CWA employment but administrative cost held up by IERC responsibility in the administration of that program. The relatively high figure for May, 1935, is explained by the acute shortage of relief funds in that month. From December, 1935, through June, 1936, the contraction of the administrative organization lagged slightly behind contraction of the relief rolls caused by WPA employment.² That fact, coupled with the extreme uncertainty existing in the fore part of 1936, accounts for a relatively high administrative cost over a prolonged period.

The percentage of administrative cost was lowest in the first month shown in Table 24 and in all probability was even lower in earlier months. Relatively less was spent for administration in 1932 and the early months of 1933 because the organization was gradually developing to meet the need. The characteristic month-to-month fluctuation reflects not so much real changes in the cost of relief administration as changes in the relief load and in the amount of relief funds available.

¹Expenditure of Funds--Federal Emergency Relief Administration, Senate Document No. 56, 74th Congress, 1st Session (1935), p. xviii.

²IERC Biennial Report, Covering the Period July 1, 1934, through June 30, 1936, p. 161.

TABLE 23

AVERAGE EXPENDITURE FOR ADMINISTRATION AND PERCENTAGE TO TOTAL EXPENDITURES UNDER THE IERC
BY COUNTY, FOR THE PERIOD FEBRUARY 6, 1932, THROUGH JUNE 30, 1936a

County	Administrative Expenditure	Per Cent to Total Expenditure	County	Administrative Expenditure	Per Cent to Total Expenditure
Total.....	\$37,292,736.57 ^b	9.9	Lawrence.....	\$ 30,282.57	10.0
Adams.....	222,093.04	8.0	Lee.....	43,032.97	10.1
Alexander....	156,099.54	9.7	Livingston...	62,868.27	11.4
Bond.....	53,499.87	9.6	Logan.....	53,348.32	9.2
Boone.....	36,650.96	9.6	McDonough...	54,779.56	8.8
Brown.....	16,533.75	12.0	McHenry.....	46,863.80	10.6
Bureau.....	55,380.84	9.8	McLean.....	198,753.30	7.0
Calhoun.....	10,598.08	14.5	Macon.....	281,444.00	8.4
Carroll.....	17,428.77	12.8	Macoupin....	139,634.66	6.4
Cass.....	64,070.81	8.3	Madison.....	467,511.93	7.8
Champaign...	135,467.30	8.7	Marion.....	123,925.78	8.6
Christian....	124,739.14	9.1	Marshall....	20,016.79	11.0
Clark.....	32,066.59	11.6	Mason.....	25,115.79	10.7
Clay.....	31,493.39	12.6	Massac.....	45,047.42	10.1
Clinton.....	27,789.15	9.5	Menard.....	18,931.77	12.3
Coles.....	114,403.04	8.4	Mercer.....	31,054.76	9.8
Cook.....	25,146,366.55	9.9	Monroe.....	13,597.63	19.3
Crawford....	24,951.28	11.0	Montgomery...	122,668.31	8.4
Cumberland...	26,781.77	12.1	Morgan.....	70,427.09	7.8
DeKalb.....	62,998.24	9.6	Moultrie....	28,831.89	13.2
Dewitt.....	47,410.40	8.4	Ogle.....	36,351.62	10.3
Douglas.....	48,324.84	9.6	Peoria.....	250,790.28	10.0
DuPage.....	160,154.68	6.1	Perry.....	96,506.33	9.9
Edgar.....	44,390.46	9.5	Piatt.....	37,666.65	11.8
Edwards.....	26,801.20	14.5	Pike.....	36,662.91	9.1
Effingham...	23,502.51	11.8	Pope.....	30,158.51	15.2
Fayette.....	54,815.55	9.4	Pulaski.....	61,054.20	11.0
			Putnam.....	22,339.85	11.7

Ford.....	17,338.47	15.3	Randolph.....	65,547.40	10.9
Franklin.....	239,508.23	9.1	Richland.....	29,363.39	13.6
Fulton.....	119,714.20	7.6	Rock Island...	213,275.23	8.0
Gallatin.....	47,612.96	11.9	St. Clair.....	743,770.42	8.4
Greene.....	44,364.56	10.1	Saline.....	164,234.60	8.5
Grundy.....	23,678.59	9.8	Sangamon.....	250,749.07	10.1
Hamilton.....	26,618.77	17.4	Schuyler.....	21,951.00	10.7
Hancock.....	38,807.31	10.2	Scott.....	22,460.26	9.7
Hardin.....	34,404.61	11.7	Shelby.....	52,730.39	9.6
Henderson.....	26,546.27	12.7	Stark.....	22,113.07	12.1
Henry.....	75,579.57	8.8	Stephenson...	54,777.12	6.7
Iroquois.....	45,788.41	12.1	Tazewell.....	94,211.84	8.4
Jackson.....	110,152.64	9.4	Union.....	51,047.01	12.0
Jasper.....	12,423.88	12.6	Vermillion...	215,110.95	8.2
Jefferson.....	68,973.72	9.8	Wabash.....	41,737.78	12.7
Jersey.....	21,060.11	11.1	Warren.....	33,466.08	10.0
Jo Daviess...	40,843.73	11.6	Washington...	16,846.20	11.2
Johnson.....	46,622.75	15.9	Wayne.....	38,358.59	12.8
Kane.....	297,528.54	7.4	White.....	36,181.08	14.9
Kankakee.....	94,938.61	8.2	Whiteside...	63,581.76	9.7
Kendall.....	14,512.96	10.1	Will.....	327,327.46	7.1
Knox.....	122,608.19	8.1	Williamson...	372,541.14	8.5
Lake.....	233,864.51	7.3	Winnebago...	564,117.43	7.4
LaSalle.....	248,945.80	8.8	Woodford.....	19,882.77	14.2

^aIERC Biennial Report, July 1, 1934, to June 30, 1936, Appendix No. 13.

^bTotal includes state items not distributed among the counties.

TABLE 24

PERCENTAGE OF ADMINISTRATIVE EXPENDITURES
TO TOTAL EXPENDITURES FOR UNEMPLOYMENT
RELIEF FROM PUBLIC FUNDS IN ILLINOIS, BY
MONTH, APRIL, 1933, THROUGH JUNE, 1936^a

Month and Year	Per Cent of Administrative to Total Expenditures
April, 1933 ^b	7.6
May	8.7
June	10.2
July	10.2
August	10.5
September	9.9
October	9.2
November	9.9
December	10.6
January, 1934	13.6
February	13.8
March	11.6
April	11.8
May	11.6
June	11.4
July	11.5
August	11.3
September	10.8
October	11.6
November	10.2
December	9.6
January, 1935	9.1
February	9.0
March	9.2
April	9.9
May	12.5
June	10.4
July	10.8
August	9.4
September	10.2
October	9.9
November	10.0
December	12.9
January, 1936	12.6
February	12.3
March	12.9
April	11.7
May	11.7
June	12.5

^aIERC Monthly Bulletin on Relief Statistics, March, 1935, p. 9, and IERC Biennial Report Covering the Period July 1, 1934 to June 30, 1936, p. 160.

^bFirst month for which figures are available.

Table 25 would indicate that among the county units the percentage of administrative cost tended to vary inversely with the size of the case load. This tendency was often noted in the experience of the IERC. The obvious explanation would appear to be that increased size of the unit facilitated greater administrative efficiency. Unquestionably some of the counties were too small for efficient operation. It might also be true, as Table 25 implies, that the one county of Cook was far beyond the optimum size for administrative efficiency. The size of the unit is without doubt an important factor in connection with administrative economy and efficiency.

TABLE 25

AVERAGE PERCENTAGE OF ADMINISTRATIVE EXPENDITURE
TO TOTAL EXPENDITURE FOR COUNTIES UNDER THE IERC,
BY SIZE OF RELIEF CASE LOAD, FOR THE YEARS ENDING
JUNE 30, 1935, AND JUNE 30, 1936^a

Cases Receiving Relief	Number of Counties	Per Cent of Administrative to Total Expenditure
Total, year ending June 30, 1935.....	102	9.2
Under 500.....	27	12.3
500 - 999.....	31	10.7
1,000 - 1,499.....	12	8.8
1,500 - 2,999.....	12	8.4
3,000 - 4,999.....	14	7.9
5,000 - 9,999.....	4	7.5
10,000 - 14,999.....	1	7.0
15,000 and over.....	1	9.7
Total, year ending June 30, 1936.....	102	10.1
Under 500.....	51	13.5
500 - 999.....	19	10.6
1,000 - 1,499.....	10	10.0
1,500 - 2,999.....	14	9.4
3,000 - 4,999.....	5	8.8
5,000 - 9,999.....	2	9.2
10,000 - 14,999.....	0
15,000 and over.....	1	10.2

^aIERC Biennial Report for the Period July 1, 1934, through June 30, 1936, Appendix No. 16.

However, Table 25 also reflects variation in the standard of relief. When administrative cost is expressed in terms of cost per case the effect of variation in relief standards is eliminated. This is done in Table 26, with the result that the tendency for administrative cost to vary inversely with the size of the unit, though still apparent, is much less marked.¹

TABLE 26

AVERAGE MONTHLY ADMINISTRATIVE COST PER OPEN RESIDENT CASE FOR COUNTIES UNDER THE IERC, BY SIZE OF RELIEF CASE LOAD, FOR THE YEARS ENDING JUNE 30, 1935 AND JUNE 30, 1936^a

Open Resident Cases ^b	Number of Counties	Average Monthly Administrative Cost Per Case
Total, year ending June 30, 1935.....	102	\$2.67
Under 500.....	24	2.22
500 - 999.....	32	2.28
1,000 - 1,499.....	12	1.91
1,500 - 2,999.....	14	2.00
3,000 - 4,999.....	14	1.86
5,000 - 9,999.....	4	2.01
10,000 - 14,999.....	1	1.80
15,000 and over.....	1	3.33
Total, year ending June 30, 1936.....	102	\$2.59
Under 500.....	45	2.31
500 - 999.....	23	2.02
1,000 - 1,499.....	11	1.97
1,500 - 2,999.....	12	2.01
3,000 - 4,999.....	8	1.90
5,000 - 9,999.....	2	2.11
10,000 - 14,999.....	0
15,000 and over.....	1	3.04

^aIERC Biennial Report for the Period July 1, 1934, through June 30, 1936, Appendix No. 17.

^bIncludes cases receiving material relief, cases receiving service only and cases receiving neither relief nor service.

¹Essentially the same analysis of variation in administrative costs among the counties was made by the Statistical Department of the IERC (Monthly Bulletin on Relief Statistics, March, 1935). The subject is obviously both important and complicated, and deserving of intensive study.

Statutory regulation after July 1, 1936.--Beginning in July, 1936, when the local governmental units assumed responsibility for administration of state as well as local relief funds, expenditures for administration of relief were limited by law. The statute in effect during the one month of July, 1936, provided that no state relief money "shall be allocated or paid to any county in excess of the needs of destitute and needy persons in such county."¹ Upon advice of the Attorney General of Illinois the Commission took this to mean that state funds could not be allocated or used to cover administrative costs.²

However, in August the law was amended to provide that each local unit might spend for administrative purposes each month not more than 5 per cent of all funds, from whatever source, used for relief and administration during the month. For the City of Chicago the limit was set at 8 per cent.³ This provision was made retroactive to July 1, 1936, and remained in effect until July 1, 1938. Effective on the latter date the statutory allowance for administrative expenditure was raised to 10 per cent for all units and based upon an annual instead of a monthly period.⁴

Thus the attempt has been made in Illinois to limit by statute relief administrative costs, for both state and local funds, on the basis of a percentage of total expenditures. Table 27, based upon an analysis made and published by the IERC for the sample month of September, 1937, indicates that the attempt was unsuccessful. In a total of 1,354 local units which gave relief during that month 801 (including the City of Chicago), or approximately 59 per cent, exceeded the statutory limit for administrative expenditure. More than half of those exceeding the limit spent in excess of twice the legal figure.

¹Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, p. 31.

²"Letters and Opinions of the Honorable Otto Kerner, Attorney General of the State of Illinois, December 10, 1935, to July 15, 1936, to the IERC" (mimeographed), p. 28.

³Laws of Illinois, 1936, 2d Special Session, 59th General Assembly, p. 22.

⁴Ibid., 1938, 1st Special Session, 60th General Assembly, pp. 6, 18, 24, 63, 73.

TABLE 27

LOCAL GOVERNMENTAL UNITS WHICH INCURRED OBLIGATIONS FOR RELIEF IN ILLINOIS IN SEPTEMBER, 1937, CLASSIFIED BY PERCENTAGE OF ADMINISTRATIVE EXPENDITURE TO TOTAL EXPENDITURE^a

Per Cent of Administrative to Total Expenditure	Number of Local Administrative Units					
	Total		City of Chicago	Cook County Townships	Downstate Townships	Non-Township Counties
	Number	Per Cent				
Total	1,354	100.0	1	29	1,307	17
0.....	199	14.7	0	0	199	0
0.1 - 2.5	64	4.7	0	1	63	0
2.6 - 5.0	290	21.4	0	2	285	3
5.1 - 7.5	204	15.1	0	3	193	8
7.6 - 10.0	174	12.9	1	7	165	1
10.1 - 12.5	118	8.7	0	4	110	4
12.6 - 15.0	69	5.1	0	3	65	1
15.1 - 17.5	51	3.8	0	2	49	0
17.6 - 20.0	33	2.4	0	3	30	0
Over 20.0	152	11.2	0	4	148	0

^aIERC Monthly Bulletin on Relief Statistics, October, 1937, p. 19.

Commenting upon the inferior administration discovered in some local units the Commission reported:

. . . . that the statutory limitation of administrative expenditure to five per cent in downstate units and to eight per cent in the City of Chicago did not permit adequate administration. . . . Many units exceeded the monthly percentage limitation imposed by law. Small case loads and other factors in some units probably tended towards relatively costly administration.¹

Since the statutory limitation was raised to 10 per cent on an annual basis, effective July 1, 1938, the extent of continued violation cannot be told until a full fiscal year has elapsed. However, preliminary figures show that among the 748 local units eligible for state aid in November, 1938, 216 or 29 per cent of them had exceeded the 10 per cent limit for the five-months

¹IERC Biennial Report, Covering the Period, July 1, 1936, through June 30, 1938, p. 39.

period beginning with July, 1938.

The failure of the statutory limitation upon relief administrative expenditures cannot be precisely accounted for but several contributing reasons are apparent. The percentage of total expenditure is a fallacious measure of administrative adequacy, for reasons already noted. The ridiculously small size of many of the 1,454 administrative units made inevitable either poor administration or exorbitant administrative cost. No provision was made to enforce the limitation set up in the law. Finally, the 5 per cent limit certainly was inimical to adequate administration and the same apparently is true of the 10 per cent limit with respect to very small units.¹

In addition to limiting the administrative expenditure of local relief units the General Assembly in 1937 also limited the overhead expenditures of the IERC. The method in this case was to set a flat monthly maximum of \$100,000.² The IERC experienced no difficulty in staying within this limit. For the biennium ending June 30, 1938, administrative costs of the organization averaged \$88,043 per month. In addition, and not counted as administrative expenditures, were the costs to the IERC of distributing surplus commodities and certifying eligible persons for federal employment programs.³

The monthly mean administrative cost for the entire general relief program from public funds in Illinois, including the overhead expenses of the IERC, are presented in Table 28 for the period July, 1936, through December, 1938. The figures show considerable fluctuation, which may be attributed to the same factors already mentioned in connection with the period prior to July,

¹"Of the 150 local governmental units receiving state funds in November (1938), which during the five month cumulative period since July 1, 1938 have exceeded the ten per cent administrative cost, 70 had a relief load of less than 25 cases, 47 between 25 and 49 cases, 25 between 50 and 99 cases and the remaining 28 units had a case load of 100 cases or over; this emphasizes that the problem of keeping within the legal restriction on administrative costs is most serious in the small units with low expenditures" (IERC Monthly Bulletin on Relief Statistics, December, 1938, p. 12).

²Laws of Illinois, 1937, p. 52.

³IERC Biennial Report, Covering the Period, July 1, 1936, through June 30, 1938, p. 64.

TABLE 28

PERCENTAGE OF ADMINISTRATIVE EXPENDITURE
TO TOTAL EXPENDITURE FOR GENERAL RELIEF
FROM PUBLIC FUNDS IN ILLINOIS, BY MONTH,
JULY, 1936, THROUGH DECEMBER, 1938^a

Month and Year	Per Cent of Administrative to Total Expenditure
July, 1936	9.5
August	10.9
September	9.5
October	8.5
November	7.6
December	7.1
January, 1937	7.2
February	7.5
March	7.4
April	8.3
May	9.9
June	9.2
July	8.7
August	8.3
September	9.5
October	10.0
November	8.8
December	7.6
January, 1938	7.3
February	7.5
March	7.6
April	8.5
May	8.2
June	9.1
July	9.1
August	8.9
September	9.5
October	9.5
November	9.2
December	9.0

^aIERC Monthly Bulletin on Relief
Statistics, August, 1936, through January,
1939.

1936. On the whole the statewide percentage for administrative expenditure was lower during the later period, under local autonomy, than in the earlier period of state control over expenditure of state funds. This is probably due in part to the statutory limitation of administrative cost even though that control has been largely ineffective. Also it undoubtedly reflects the inadequate administration of the poor law machinery as revealed

in the surveys of local relief units made by the IERC.¹

The economy of adequate administrative expenditure---

Early in 1938 the IERC and the Chicago Relief Administration, upon request of the Illinois Council on Public Assistance and Employment, executed an important experimental study in the area of administrative adequacy.² In one of the district relief offices a substantially larger and more expensive administrative set-up than regularly used in the CRA was provided. Professional staff was more than doubled and the remaining staff increased more than 50 per cent, equipment was added, floor space reorganized and procedures revised.

Total administrative expenditures were increased the first month from an estimated \$9,582 for the regular set-up to an actual \$16,820 for the experimental set-up. The work of other CRA district offices, in which administration remained unchanged, was observed concurrently with that of the experimental district as a control. The experiment continued for three months, February, March, and April, 1938, during which results were carefully observed.

The estimated effect of the experimental set-up was obtained by comparing the results it obtained with those obtained by the control districts during the same period. In the first month a slight increase in total expenditures resulted, in the second month an important saving and in the third month a very substantial saving. Due to the short duration of the experiment the economy of the program did not have time to demonstrate its maximum possibilities. It is of interest to note that for the final month, in which there was a clear substantial saving in total expenditure, the district office itself, not including any share of the general overhead cost of the CRA, had an administrative cost percentage of 12.7 per cent.

The savings were the combined result of a lowered ratio of cases opened, an increased ratio of cases closed, and a

¹Supra, p. 208.

²Adequate Staff Brings Economy (45 pages; published by the American Public Welfare Association, 1939), being a report on the experimental study as prepared by the Statistical Department of the IERC and CRA.

lowered average relief per case without change in budgeting standards. Those accomplishments were in turn due to reduction in the average worker case load from 169 in December to 80 for the three-months period, reduction in the average supervisor case load from 1,350 to 450, and improved office procedures and facilities.

The report noted not only monetary savings but also increased case work services to clients and enhanced morale in the staff, the clientele and the community.

The outstanding general conclusion drawn from the Canal demonstration is that adequate administrative provision is a sound investment of public relief funds.

The study conclusively demonstrates that administrative expenditures should be based on that amount which will provide efficient administration of relief rather than on any arbitrary legal limitations.

The additional staff employed to supplement the regular district staff during the period of the demonstration was not superior to the general level of the CRA personnel. However, a question is bound to arise whether the effort of the demonstration staff, in the conscious desire to make the experiment succeed, was superior to the ordinary effort of conscientious relief employees, over and above the improvement of morale naturally resulting from a fuller opportunity for professional performance.

The demonstration was inconclusive in that it was too short-lived to reveal the full advantage of adequate administration. The inadequacy of administrative provisions in the CRA under the eight per cent statutory limit was clearly shown. The expanded administrative set-up used in the experiment was itself arbitrary, and it may well be that a still larger outlay for administration would result in a still greater saving in total expenditure. Further experimentation of this kind is necessary in order to define "that amount which will provide efficient administration of relief."

As a result of the demonstration the legal limit upon relief administrative cost in Illinois was raised to 10 per cent of total expenditure, applicable to all relief units in the state.¹

¹Ibid., p. 4.

The General Assembly was not persuaded that statutory limitation of administrative cost to an arbitrary percentage is a wasteful system.

CHAPTER VI

ADMINISTRATION OF PUBLIC ASSISTANCE IN ILLINOIS

The program for administration of general relief in Illinois is a part of the whole public welfare service of the state. The public assistance services in the state, by which is meant all public programs for aiding needy persons in their natural place of abode, must be considered together when administrative machinery and procedure are appraised.

Co-ordinated administration at the state level and integrated administration at the local level for all public assistance services are necessary if efficiency and economy are to be achieved. The similarity and interrelationship of such services as general relief, old age assistance, aid to dependent children and aid to the blind make co-ordination of administration clearly necessary. Most of the counties in the United States are too small to support adequate public assistance machinery other than in the form of a single county department of public welfare which can administer all of the public assistance programs.

The movement toward reorganization.--After federal aid to the states for categorical assistance became available under the Social Security Act rapid progress was made among the states toward improved administrative provisions in connection with the newly instituted programs. For more than twenty years prior to the Social Security Act a movement had been in progress for the reorganization of public welfare administrative machinery.

In 1917 the first state department of public welfare was created in Illinois to succeed the old State Board of Control, and the first statutory county departments were organized in Minnesota and North Carolina. The reorganization movement thus begun did not have very extensive results prior to 1935 but it was of great importance in setting a general pattern for state and county public welfare machinery that has been closely followed in the rapid

developments since 1930.¹

Administrative Organization in 1939

Administrative organization for public assistance in Illinois has been aptly described as a "patchwork."² The State Department of Public Welfare is provided for in the Administrative Code³ which was adopted in 1917 to effect a general reorganization of the executive branch of Illinois state government. In this department are brought together all services directly administered by the state such as the penal, curative and certain educational institutions for the handicapped, and all the welfare services for which the state shares financial responsibility with the local governments. State aid for general relief is the one important state public assistance activity which is outside the Department of Public Welfare. Ever since that program began in 1932 state authority has been exercised through a special temporary relief commission.

Thus at the state level Illinois is in step with modern public welfare organization, with the important exception of the general relief program. It is in the local governments that public assistance machinery is in need of thorough reorganization.

Local organization.--At the time each of the present public assistance services was created in Illinois separate provision was made for local administration. Poor relief of course has been a traditional local responsibility. During a major part of the state's history and up until 1931 that service was a county responsibility. During the depression that responsibility was, for the most part, placed upon the townships.

When state funds for relief first became available in

¹Cf., S. P. Breckinridge, Public Welfare Administration in the United States; Select Documents, Part III (Chicago: University of Chicago Press, 1938). Also M. R. Colby, The County as an Administrative Unit for Social Work, U. S. Children's Bureau Publication No. 224 (Washington, D.C.: Government Printing Office, 1933).

²W. S. Reynolds, "Illinois' Patchwork," 11 Social Service Review 1 (March, 1937).

³Illinois Revised Statutes, 1937, chap. 127, secs. 1-63.

February, 1932, the IERC, an emergency agency, was created for a temporary period of thirteen months. The life of the IERC was thereafter extended from time to time and it was still functioning in 1939 in the status of a temporary agency.

Until the middle of 1936 the IERC administered state relief through special county relief machinery created by administrative action. This special local machinery operated alongside, but had no legal or administrative connection with the local relief officials who continued to be responsible under the poor law. There was an important exception in Cook County where the Cook County Bureau of Public Welfare, the regularly responsible public relief agency, became likewise responsible for administration of state funds.

This duality of relief machinery came to an end in July, 1936, when responsibility for administration of state, as well as local, funds was given to the poor law officials in the local units, and the IERC left to function primarily as an allocating agency for state relief funds.

In 1939 general relief was the responsibility of 1,455 different local governments, including 1,407 townships in 84 downstate counties, 17 downstate counties whose government is not organized on a township basis, 30 townships in Cook County outside Chicago, and finally the City of Chicago itself. In the townships administration is in the hands of the old poor law overseers, in the non-township counties in the hands of the county boards of commissioners and in Chicago in the hands of the Commissioner of Relief appointed by the Mayor and Council.

Aid to dependent children in Illinois has continued to be known as mother's aid or mother's pensions. This form of public assistance is financed by the counties with some aid from the state. Ever since Illinois enacted the first mother's pension law in 1911 this category of public assistance has been administered by the County Judge, an otherwise strictly judicial officer.¹

Illinois has a program of blind pensions, also financed

¹Grace Abbott, The Child and the State (Chicago: University of Chicago Press, 1938), II, 235, 248. In 1939 Illinois had not yet availed itself of federal assistance for aid to dependent children, one of the reasons being that administration by the court cannot meet the administrative requirements of the Social Security Act.

jointly by county and state. Administration is in the hands of the county governing board and local examiners of the blind appointed by the board.¹ There is also in Illinois special provision for administration of general relief to war veterans and their families by certain veteran's organizations, using funds appropriated by the county governing board.²

Old age assistance in Illinois is financed wholly by state and federal funds and administered by so-called county departments of public welfare. These county departments were created to administer the old age assistance program and are not responsible for any other assistance service. The county department consists simply of a Superintendent of Public Welfare and additional staff, appointed by the State Department of Public Welfare.³

Thus it is apparent that administration of public assistance in the political subdivisions of Illinois presents a confused picture. Financial and administrative responsibility are scattered and unco-ordinated. Supervision by the state, even of those programs financially aided by the state is, with the exception of the old age assistance program, ineffective or non-existent. The local personnel is for the most part not subject to any formal merit system. General relief is still administered under the principles of the Elizabethan Poor Law⁴ and in 84 of the 102 counties in the state is the responsibility of the tiny and wholly inadequate township unit.

Proposals for Reorganization

Although Illinois did not achieve, during the 1930's, any

¹Illinois Revised Statutes, 1937, chap. 23, secs. 279-287. In 1939 Illinois had not yet availed itself of federal assistance for aid to the blind.

²Ibid., secs. 154-1541. In most counties this special machinery is not utilized, veterans and their families being relieved by the regular poor law officials.

³Ibid., chap. 34, secs. 67.1-67.5. Also Laws of Illinois, 1938, 1st Special Session, 60th General Assembly, p. 27.

⁴In actual practice many of the larger local units in the state, with the encouragement of the IERC, employ modern policy and procedure.

legislation to reorganize its public assistance facilities, the matter received careful thought during that decade. Several official commissions made thoughtful proposals and bills relating to reorganization were before each of the five biennial sessions of the General Assembly.

Illinois Committee on Child Welfare Legislation.--The first official body to come forth with concrete and wise recommendations for local public welfare reorganization was the Chandler Commission.¹ One in a long list of legislative bills drawn by the committee and submitted to the General Assembly in 1931 proposed the establishment of new county administrative facilities. There was to be a county board of public welfare, appointed by the county governing board to serve in an advisory capacity. This board was to appoint a county superintendent of public welfare whose salary was to be paid by the state provided the appointee was acceptably qualified. Such other personnel as necessary was to be employed by the superintendent.

Although the responsibility of the Chandler Commission was restricted to the field of child welfare the proposed duties of the county superintendent of public welfare were not limited to child welfare. Wisely the view was adopted that competent local administration could only be obtained by integrating all locally administered welfare services. The original county organization bill drawn by this commission therefore proposed a well integrated county department of public welfare.² Such a bill was introduced and amended in both the 1931 and the 1933 sessions of the General Assembly.

Early proposals under the IERC.--When state funds for unemployment relief were first provided, early in 1932, the time was not opportune for reorganization of public assistance machinery

¹The Commission was thus known by the name of its chairman, Mr. Henry P. Chandler. It was first conceived by the Illinois Conference on Social Welfare and was created by resolution of the General Assembly and appointed by the Governor in 1929. The assignment of the Commission was to study the entire child welfare program of Illinois and present its findings to the General Assembly in 1931. This it did.

²Report of the Committee on Child Welfare Legislation, State of Illinois, February 3, 1931, pp. 47-48, 230-233.

in the state. The situation was emergent and the need regarded as highly temporary. The problem of organization for administration of state relief funds was met by the simple expedient of creating the IERC.¹ Thus another independent public assistance agency was added to the patchwork.

During the four and one-half years of administration of state relief funds by the IERC two independent public relief authorities operated side by side in every county of the state excepting Cook. On the one hand were the local officials responsible under the poor law and on the other the county organizations of the IERC responsible under the emergency relief legislation. The weakness of this arrangement readily became apparent in practice.

In many counties informal working arrangements were developed between the two relief authorities in order to minimize practical inefficiency. Two counties submitted to the IERC thoughtful proposals for integration of all public relief administration within their respective borders. These two proposals are of especial interest as spontaneous local efforts to overcome the weaknesses of the dual organization.

The first of these proposals came in the summer of 1934 from Jo Daviess County in northwestern Illinois. According to the plan each township overseer of the poor was to refer all applicants for relief from local funds to the office of the County Emergency Relief Committee. The staff there was to apply the same case work procedures and relief standards to such cases as to cases aided from state funds. The townships were to honor relief requisitions written against town funds by the county relief office. As many cases were to be charged against township poor relief funds as those funds could provide for. The county relief office organization was to be expanded as necessary and the added expense prorated among the townships. The aim was to achieve a uniform and integrated public relief service for the county.

Interested representatives from the county appeared before the Commission to present the plan and urge IERC approval. In discussing the proposal the Commission considered "the increased

¹Cf., chap. 1, p. 27.

cost to the Commission which the plan might entail, and the precedent it will establish of having the Commission assume the responsibility of administering normal poor relief which is definitely the responsibility of the local government." The Commission acted to defer consideration of the matter and it was not brought up again.¹ The Jo Daviess County proposal might have been an important demonstration project but it died for lack of approval by the Commission.

More than a year after that proposal a very similar plan was brought before the Commission by Boone County, also located in northern Illinois. The chairmen of both the County Board of Supervisors and the County Emergency Relief Committee appeared in a Commission meeting on behalf of the plan. Action by the Commission was non-committal.² The plan went successfully into effect.

The Governor's Commission on the Relief Problem.--After a little more than two years of operation the Commission itself took the lead in acknowledging that state aid for unemployment relief could no longer be regarded as a temporary matter. In a letter to the Governor of Illinois in May, 1934, one member of the Commission stated that "This tremendous undertaking which is so exhausting our resources and sapping our strength, should no longer be considered in the light of an emergency; . . . this collapse of employment and its consequent increase of destitution must be met with a more intelligent endeavor to work out some solution upon a more permanent and fundamental basis."

In June, 1934, the Executive Secretary, on request of the Chairman, presented the Commission with an important memorandum on the subject of "Planning for the Future." After reviewing the extent of the relief problem and pointing out the necessity for more permanent planning the memorandum made the following recommendations which were unanimously adopted by the Commission: "(1) That the Commission recognize the necessity for the formulation of a State program designed to give reasonable security to those in distress because of unemployment and other social and economic handicaps; (2) that the Commission assume the responsibility for

¹Minutes of IERC meeting on July 13, 1934.

²Ibid., September 20, 1935.

developing, approving and presenting such a program to the Governor of the State and recommending such legislation as may be necessary to its establishment and operation; (3) that to assist the Commission in the formulation of such a relief and welfare program, the Chairman be authorized to appoint an advisory committee to be composed of persons qualified in the fields represented by the problems and objectives involved; and that such committee be supplied with necessary office, secretarial and clerical assistance as the executive officers of the Commission may find necessary to the work involved, and that such committee submit to the Commission a report with recommendations."¹

This action was important in that the Commission itself recognized the inadequacy of the emergency organization and took the first step looking toward replacement of itself with a more adequate organization and program.² From that time forward the Commission constantly displayed the same statesmanlike attitude toward planning for public assistance.

The result of this initiative was appointment by Governor Horner in September, 1934, of the Governor's Commission on the Relief Problem, which became known, by the name of its Chairman,³ as the Doering Commission.⁴ This body had a membership of twenty citizens, received allocations totalling \$8,000 from the IERC,⁵ and employed an executive secretary and a research secretary.

The Doering Commission made a comprehensive survey of relief administration in Illinois and on June 1, 1935, submitted an able report to the Governor. The report contained a number of recommendations among which were revision of the poor law, particularly to modify the principles of local responsibility, responsibility of relatives and the strict requirement of local residence

¹Ibid., June 15, 1934.

²In its First Annual Report, issued in 1933, the Commission had stated that "it is clearly apparent that, in so far as it implies brevity of duration, the term 'emergency relief' is misleading" (p. 111).

³Mr. Otto C. Doering.

⁴Minutes of IERC meeting on October 19, 1934.

⁵Ibid., April 26, 1935.

for relief eligibility; absorption of the functions of the IERC into the State Department of Public Welfare; state supervision and county administration of all welfare programs; and local integration of all public welfare administration under a county welfare board and a county welfare director.¹

The Doering Commission did not prepare draft bills for proposed legislation but one member of the Commission, Mr. Frank Bane, who was then Director of the American Public Welfare Association, was requested by the Governor to prepare such bills. Mr. Bane submitted draft bills designed to bring Illinois into full participation in federal aid for public assistance under the Social Security Act. Bills were also drawn which would have put all state activity in relation to public assistance under the State Department of Public Welfare and set up integrated county departments of public welfare.²

The remarkable fact about the work of the Doering Commission is that it resulted in no immediate legislative action. The IERC, in taking the original step which led to those efforts, had in mind the possibility of some action by the 59th Illinois General Assembly which convened in January, 1935. The Governor of Illinois, who officially requested the researches and recommendations, evidently assumed no initiative with regard to legislative measures. It is not uncommon for the recommendations of official commissions to fall short of legislative enactment, but to be virtually pigeonholed by the sponsoring executive is a less common and undeserved fate. Such however was the immediate fate of the work of the Doering Commission.

Joint Committee on Costs of Relief.--The second important study of the relief situation came in the spring of 1936 under private and unofficial auspices. That was shortly after federal aid for direct relief had been withdrawn, and certain Chicago and

¹"Final Report, Submitted to Governor Henry Horner June 1, 1934, by the Governor's Commission on the Relief Problem" (mimeographed).

²"Recommendations for Social Security Legislation in Illinois, the Report of Mr. Frank Bane to the Governor of Illinois, 1935" (typewritten copy in the files of the American Public Welfare Association).

state-wide civic and business organizations¹ exhibited a keen interest as taxpayers in the continuing cost of relief to the state. They organized what was known as the Joint Committee on Costs of Relief and this committee in turn employed the research firm of Griffenhagen and Associates to make a study of relief costs. The IERC co-operated fully in the study.²

A report made in July, 1936, by the committee was concerned primarily with reduction in the cost of relief.³ It suggested that all aliens on relief be deported; that the residence and family responsibility features of the poor law be enforced "to the extreme;" that "spot check" on case workers be made "to determine their efficiency, and thus discourage acceptance of cases as the easiest way out under heavy pressure of duties;" and that available relief funds probably "have a great deal to do with the size of the relief allowance, and that a certain amount of downward shifting is possible without creating real distress."

In general the report, in contrast to the Doering Report, contained a mixture of very old and very unrealistic attitudes toward public relief. However, certain valid points were made, such as: that undue reduction in overhead costs of relief administration meant inefficiency and waste of public funds; that it was unsound policy to put authority for relief administration in the hands of governmental units which did not supply the principal part of the funds expended;⁴ and that relief employees should be engaged strictly on a merit basis.

No detailed recommendations were made regarding administrative organization. On the whole this report typified the attitudes of many citizens who were deeply concerned, as taxpayers,

¹Including the Civic Federation and Bureau of Public Efficiency, Chicago Real Estate Board, Chicago Association of Commerce, State Bankers' Association, Illinois Agricultural Association, Illinois Chamber of Commerce, and Illinois Manufacturer's Association.

²Minutes of IERC meeting on May 8, 1936.

³Report of the Executive Committee to the Organizations Participating in the Joint Committee on Costs of Relief, July, 1936 (mimeographed).

⁴It was at this time that the General Assembly transferred responsibility for administration of state funds from the IERC to the local poor law officials (cf., chap. v, pp. 171-173).

with the enormous cost of relief but were not familiar with the history or the practical problems of public poor relief.

The administrative research agency¹ which conducted the survey for the committee independently stated certain recommendations which were more far-reaching than those of the committee itself. This investigating agency said that the whole body of laws relating to poor relief should be reconsidered and likewise the haphazard allocation of various public welfare functions among State, counties, townships, cities, courts, et cetera; that unemployment relief could be most efficiently administered through a centralized state agency but that if local administration was to be the legislative policy strong supervision by the state authority should be provided.²

Committee to Draft Welfare Legislation.--A third body to consider plans for administration of public assistance in Illinois resulted when the Governor, late in 1936, requested the IERC to draw up proposed legislation to be considered by the 60th General Assembly which convened in January, 1937.

To fulfill this request the IERC called representatives of various civic, business and social welfare organizations to form a committee to assist in the task. The first meeting was held late in December, 1936, and a committee was organized which became known as the Committee to Draft Welfare Legislation. Included in its membership were members of the earlier Doering Commission and the Joint Committee on Costs of Relief.

Late in January the committee adopted a set of general principles upon which the proposed bills which it forthwith drafted were based. One of these principles was that Illinois should take advantage of federal grants-in-aid for dependent children and needy blind (the state already was receiving federal grants for old age assistance). Another was that there should be a strong state supervisory authority, with power to make binding regulations, over the local administration of public assistance

¹Griffenhagen and Associates, a private research corporation which specialized in studies of administrative organization.

²Quoted in: "The Relief Problem in Illinois; A Report to His Excellency, Henry Horner, Governor, by the IERC, April 15, 1938" (mimeographed).

programs aided by state or federal funds. The third principle was that administrative responsibility for all state or federally aided programs should be vested in a single authority in each county. The committee agreed, however, to let administration of local funds for relief remain in the hands of the poor law officials.¹

Bills to make these plans effective were introduced in the 60th General Assembly, but none of them became law.

Illinois Council on Public Assistance and Employment.--- Still another body to study public assistance problems and make recommendations was created late in 1937. This was the Illinois Council on Public Assistance and Employment, which grew out of conferences between the Governor and members of the IERC, and which consisted of fourteen citizens appointed by the Governor to represent various organized groups.²

Popularly known by the name of its Chairman³ as the Gregory Commission, this body carried through a more thorough study of public assistance in Illinois than had any of the previous bodies. Funds in the amount of \$15,000 were appropriated to it by the IERC.⁴ The Gregory Commission employed a director, assistant director and a statistician and other employees and was aided by a large number of investigators made available without cost by Chicago business firms. This staff was engaged primarily in the intensive study made of relief administration in Chicago. To make broad study and recommendations with regard to administration of public assistance in the state as a whole the services of the American Public Welfare Association were engaged.

The Gregory Commission submitted a series of reports to the Governor. The first had to do with methods and procedures of

¹Minutes of meetings of the Committee to Draft Welfare Legislation (in the files of the IERC).

²Including the Illinois Manufacturer's Association, Illinois Agricultural Association, Illinois Federation of Labor, Civic Federation and Bureau of Public Efficiency, American Legion, Chicago Community Fund, and several private family welfare agencies in Chicago.

³Mr. Walter L. Gregory.

⁴Minutes of IERC meetings on October 15, 1937 and March 31, 1938.

relief administration in Chicago.¹ The second was in two parts and reported the findings of an intensive study of two thousand sample cases on the Chicago relief rolls.² The third report dealt with the broad picture of public assistance in Illinois and stated the recommendations of the Gregory Commission for state and local reorganization.³ It was based upon the report made to the Gregory Commission by the American Public Welfare Association.⁴ The fourth and last report made further detailed recommendations relative to relief administration in Chicago.⁵

The studies of the Gregory Commission were competently made and although many public welfare administrators would not concur in certain of the details, the recommendations stated by this official body were, on the whole, intelligent and sound.

With regard to administrative organization it was recommended first that all public assistance functions of the state be placed under the Department of Public Welfare, which should augment its set-up with a Division of Public Assistance headed by an Assistant Department Director. As to local organization the recommendation was for county departments of public welfare, including advisory boards and administrative officers locally appointed with state approval, to administer all public assistance programs, including general relief from local funds. It was also recommended that all personnel practices be on a strictly merit basis and that the local financial share be uniform with respect to the several public assistance programs.⁶

¹"Preliminary Report on Administration of Relief in Chicago, January 25, 1938" (mimeographed).

²"Report on Survey of Chicago Relief Rolls and Exhibits, January 25, 1938" (mimeographed).

³"Report on Organization of State and Local Public Assistance Administration in Illinois, April 11, 1938" (mimeographed).

⁴"State and Local Public Assistance Administration in Illinois, a Summary Report, Prepared by the American Public Welfare Association, March 1, 1938" (mimeographed).

⁵"Report and Further Recommendations on the Administration of Relief in Chicago, July 12, 1938" (mimeographed). The study published by the APWA entitled Adequate Staff Brings Economy (cf. chap. v, pp.221-23) was also initiated by the Gregory Commission.

⁶"Report on Organization of State and Local Public Assist-

Since the reports of the Gregory Commission were issued bills providing for reorganization of public assistance machinery in Illinois have again been introduced in the General Assembly and failed to become law.¹

The failure to accomplish reorganization.--Thus there were, during the 1930's, several official and unofficial bodies which gave careful attention to the important problem of public assistance administration in Illinois. Two of these, the Doering and Gregory Commissions, approached the problem comprehensively and set forth intelligent recommendations offering a basis for sound public policy. The IERC as a temporary agency has at no time sought to perpetuate itself but on the contrary has co-operated to the utmost in the studies which have recommended its abolition. That economy and efficiency in the operation of public social service in Illinois call for thorough reorganization seems perfectly clear. And yet the Illinois patchwork persists.

The question naturally arises as to why, in spite of the urgency of the situation and all the attention it has received, no legislation has been accomplished. The explanation involves a complexity of interrelated factors.

One important factor has been the opposition of certain forces seeking to maintain the status quo. The poor law relief officials, the overseers of the poor, strongly resist any proposal which would curtail, let alone eliminate, their authority in the administration of state and local funds for general relief. The organized county judges, who long have administered mother's aid in Illinois, oppose transfer of this function to an administrative agency.² There have been individual exceptions among both the poor law officials and the county judges but they have been in minority. Likewise the county governing boards have clung to their authority in administration of blind pensions and the blind

ance Administration in Illinois, April 11, 1938" (mimeographed).

¹As this manuscript is completed (July, 1939) the 61st General Assembly has just adjourned. Measures for public assistance reorganization again failed of enactment and the IERC has been further extended on virtually the same basis as before.

²The county judges have thus blocked not only administrative reorganization but also compliance by Illinois with eligibility requirements for federal grants for aid to dependent children.

persons receiving aid under the present Illinois system (flat allowances) have organized in opposition to an aid for the blind program on an individual need basis, such as has been a part of the reorganization proposals.

There has also been strong opposition on the ground of cost. Compliance by the state with the federal programs for aid to dependent children and aid to the blind would not only bring in substantial federal grants but would also increase state expenditures for those programs. Furthermore many legislators probably have remained unconvinced that reorganization of state and local public assistance machinery would result in actual economy. The state administration since 1933 has been committed to a policy of reduction in taxes and public expenditures.

Fear of domination by the state over local administration probably has been the cause of considerable opposition also. Although none of the legislative proposals called for state control such as characterized the early years of relief administration by the IERC, many legislators nevertheless fear inroads upon local autonomy in public assistance administration.

Although there was active opposition to the new public assistance measures it is perhaps more realistic to view the failure of those measures in the light of their lack of positive support. The opposition certainly was not insuperable and reforms of this kind are seldom accomplished without a struggle. Had there been a strong public demand and an effective leadership on behalf of modern public assistance administration in Illinois it probably would have been achieved before 1940.

The lack of positive support is noteworthy in several respects. An important share of the responsibility must be laid at the door of the Governor of Illinois. The Governor voluntarily assumed responsibility for creating both the Doering and Gregory Commissions. They reported to him. He might properly have been expected either to reject the plans they so carefully recommended or to seek strong support for them in the General Assembly. He apparently did neither and the diligent work of his official Commissions was largely in vain.

It should be noted also that each of the bodies which formulated recommendations on the problem of public assistance stopped short of active promotion of their recommendations in the

legislative stage of public policy. In the cases of the Doering and Gregory Commissions this probably was due to the indifference of the Governor. Being solely responsible to him it was hardly their function to take the lead in legislative promotion.

Official Commissions can sometimes assume the function of developing legislative support for their recommendations. An interesting recent example in Illinois was the Illinois Committee on Child Welfare Legislation which in 1931 undertook quite vigorously, though with very limited success, to promote public support and legislative approval of its own proposals. That body, however, was created by legislative resolution and although appointed by the Governor was equally responsible to the General Assembly.

Positive support for public assistance reorganization during the 1930's was also due to an unfortunate lack of interest on the part of the legislature itself. Strong, intelligent and persistent leadership in the General Assembly for this type of social legislation was conspicuous by its absence.¹

Finally, and perhaps most important of all, was the general lack of public interest. Public opinion with regard to good administration of government social service was on the whole lethargic and uninformed.

Essential Needs for Reorganization

In 1939 public assistance is one of the largest and most vital functions of American Government. The organization structure for administration of this public function in Illinois is so faulty that neither the taxpayers nor the needy citizens can be protected as they have a right to be by a great and wealthy state. Reorganization is so seriously needed that its eventual accomplishment is a foregone conclusion.

No part of the manifold public assistance program of the state is more important than general relief. Nor in any part of the program is there such great need of improvement. A program of reform however cannot be considered for relief alone. The most

¹The one important exception was the work of Senator Florence Fifer Bohrer on behalf of the child welfare bills proposed by the Chandler Commission in the regular session of the 57th General Assembly (1931).

basic need in Illinois is for a sensible drawing together of all the public assistance programs into a strong, co-ordinated whole. All recent approaches to the problem have recognized that necessity. The four broad recommendations which follow also consider relief as one part of a larger picture.

Poor law reform.--There is needed a thorough rewriting of the fundamental state law in relation to public care of the poor. The Illinois Poor Law¹ like those of most other states, is still based upon the old English statute of some three and a half centuries ago. The ancient terminology and malthusian philosophy contained in this outmoded statute have "no more place in modern social organization than a hand-loom system in a modern cotton mill."²

The full responsibility of local governmental units for relief of the poor, always an outstanding feature of the old poor laws, has become impossible to maintain with respect to relief financing, and in administration is responsible for the many hundreds of unqualified persons administering public relief in Illinois as overseers of the poor. The poor law emphasis upon local residence as a qualification for relief has led to evasion and delay and expensive litigation in cases which, unhampered by the poor law, could be dealt with quickly, humanely and economically by any social worker. The poor law provision for family responsibility where strictly enforced has also caused expense and delay and has often placed the burden of needy persons upon relatives as poor themselves.

A modern public assistance system cannot be superimposed upon the poor law as it stands. Much can be accomplished by amending the poor law, for example, by transferring responsibility from townships to counties. Piecemeal reform of the poor law probably will go on for some time to come. What the state needs however is to have the slate wiped clean and a modern public relief law enacted incorporating dignified terminology, realistic theory and a twentieth-century program of social service adminis-

¹Cf., S. P. Breckinridge, The Illinois Poor Law and Its Administration (Chicago: University of Chicago Press, 1939).

²Cf., Edith Abbott, "Abolish the Pauper Laws," 8 Social Service Review 1 (March, 1934).

tration.

State co-ordination.--In the second place Illinois needs to co-ordinate the public assistance programs at the state level. Illinois led the way in 1917 with the first state department of public welfare in which administration of all state institutions and other state welfare functions are centralized. The need now is to follow the same principle with regard to the state aided and supervised public assistance programs.

Both the Doering and Gregory Commissions recommended a public assistance division in the Department of Public Welfare, which would co-ordinate the public assistance categorical programs and general relief. There is another alternative and that is a separate state department of public assistance. It may be argued that the public assistance function is large enough to justify a separate department and that the difference between it and the institution program is sufficient to require separate departments in order to preserve the unique values and methods of each type of state public welfare activity.

The two types of public welfare service are very different and it is important that neither one be over emphasized to the disadvantage of the other. On this point administrative personnel probably is more important than organization. The directing personnel in charge of each type of program must understand and protect its unique character and value.

It is of the utmost importance that co-ordination of public assistance programs at the state level preserve the separate categories of the program by giving equal emphasis and attention to each of them. The state programs should be well co-ordinated but not integrated to the point of submerging the categories into a general assistance viewpoint or program. Otherwise much of the advantage of categorical assistance may be lost. To preserve the categorical emphasis requires both categorical organization and personnel appreciative of categorical programs.

The new state public assistance organization must of course be given authority to exercise strong supervision over the county administrative units. This authority should include the establishment and enforcement of merit standards for employment of personnel.

County administrative organization.--It is of course at

the local level, where the program reaches the client, that reorganization of public assistance machinery is most sorely needed in Illinois. This need has been clear to all recent students of the situation.

What is required is a central county public assistance agency; a county department of public welfare. In connection with each such department should be a board of local citizens, advisory in function, and appointed by joint action of state and local authority. All personnel should be employed in accordance with merit standards established by the state.

In the county department of public welfare should be lodged the administration of all public assistance programs using state or local funds. The small size of many counties would make integration of the categories inevitable at the county level. Many individual workers would have to deal with more than one type of program. Some counties, on the other hand, are sufficiently large to permit categorical organization of the county welfare department.

There are some counties in Illinois which are too small for effective administrative units. The provision of an optional plan under which counties may combine to form a single welfare department, as found in the laws of some states, has been designed to relieve such situations but has had little success due to the natural hesitancy on the part of counties to give up their individual identities. Some special inducement or pressure is needed to eliminate the very small and inefficient county units.

Financing public assistance.---Finally there is the question of financing the public assistance program. The plan of requiring each local unit by law to levy at a certain high rate in order to become eligible for state aid, such as has been in use in the general relief program in Illinois since 1936,¹ probably should be retained. However, in order to assure the equalization of local financial effort some provision should be made for taking assessment ratios, which vary widely, into consideration along with the rate of levy.

This kind of plan results in a residual grant from the state to meet the need of the locality over and above local re-

¹Cf., chap. v, p. 198.

sources raised under the required levy. Equalization of local resources according to local need is thus taken care of.

The other and more common plan for granting state aid is the percentage matching basis. If this plan should be applied to all public assistance programs it would have to include grants on a need basis, in addition to the matched funds. Otherwise counties with relatively heavy need and relatively low resources would be at an unfair disadvantage.

It seems clear that state aid should be extended on the same basis for each of the public assistance categories and for general relief. Otherwise a tendency would be encouraged to lean heavily on the program for which the state paid the heaviest share. This might mean not only shirking of local financial responsibility but also damage to one or the other of the categorical programs.

Local financing of public assistance in Illinois involves a serious constitutional handicap. A maximum rate of levy is set in the constitution of the state above which no county may go.¹ Many counties have either reached this maximum already or nearly so and therefore could not possibly raise additional funds for public assistance through the real property tax. This represents a serious obstacle to the development in Illinois of an adequate public assistance program with a substantial local share in financing. It could be removed only by constitutional amendment or by providing the counties with some additional source of revenue.

The source of revenue for support of public assistance in Illinois also requires careful study and probably revision. So long as the property tax is the only source of revenue in the local governments their financial ability will be limited, especially in times of economic depression when public assistance needs are greatest. The sales tax, which at present is the principal source of state revenue in Illinois, although highly productive and easily collected, is inequitable in that it falls very heavily upon those families who must spend all of their income to live. Income and inheritance taxes can be levied according to ability to pay and therefore offer the most equitable source of revenue for support of public assistance as well as other public

¹Cf., chap. v, p.158, footnote 2.

services. Although the income tax faces certain constitutional difficulties in Illinois the obstacles in the way of this type of taxation are not insuperable.

Some General Conclusions

The significance of the IERC.--The IERC will hold an important place in the history of public welfare administration in the State of Illinois. It was the administrative instrument through which the state met responsibility for relief of the unprecedented volume of destitution that resulted from the economic disaster of the early 1930's. The IERC was from the first regarded as a temporary agency and when the needed reorganization of public assistance machinery in Illinois takes place it will, in all probability, cease to exist. It may eventually be looked upon as a short interlude in the public welfare history of the state. But in retrospect that interlude must stand out prominently due to the sudden and widespread relief needs and the magnitude of the public relief program that was called forth.

Perhaps, however, the most significant fact about the IERC is that it marks the first acceptance by the state of an important share of the responsibility for a program of general assistance to its needy citizens. That step was a fundamental shift in public policy. In keeping with the long intrenched principles of the English and American Poor Laws public poor relief in Illinois had, prior to 1930, always been a sole responsibility of local government.

Local poor relief had become inadequate long before 1930 but not until forced to do so early in 1932 did the state take any responsible part in this governmental function. It is quite clear that even then the Illinois General Assembly had no idea of permanently abrogating the principle of local responsibility when it created the IERC and appropriated state funds for relief. The legislature thought strictly in terms of a highly temporary emergency.

However, a very heavy demand for relief has continued and although it may be both hoped and expected that the relief needs of the past few years will be substantially diminished by increased employment, state responsibility for poor relief in Illi-

nois probably has come to stay.

Throughout the period covered by the present study the administration of state aid for general relief was unstable. Beginning with outright state control of state relief funds the administrative system was radically changed in 1936 to complete local control over administration of state relief funds. After 1936 a measure of supervisory authority was again assumed by the state. A sound pattern of administrative machinery and of state-local relationship is yet to be developed. But the essential need for state aid and state authority has become so clear as to make any future return to absolute local responsibility highly improbable.

General appraisal of the IERC.--From the viewpoint of honest and conscientious public service the work of the IERC has been meritorious. Small acts of dishonesty that did occur on the part of employees and clients of the Commission and vendors to the Commission were such as could hardly have been avoided by any organization of comparable size and complexity. Errors in administrative judgment and mistaken administrative policies, such as have been pointed out in the preceding pages did not in any case involve conscious or intentional contravention of the public interest on the part of either the Commission or its staff. The IERC was sometimes accused of dishonest and corrupt administration but no such charges were ever proved and no one was more diligent in the investigation of them than the Commission itself.

The work of the IERC can be appraised fairly only in the light of the trying circumstances under which the program was carried on. These circumstances have often been pointed out in the preceding pages. Uncertainty and instability characterized the IERC program from the start. No organization which is uncertain of its own existence from year to year and of its financial support almost from month to month, as was true of the IERC, can be expected to function with the competency of a permanent and stable organization. Changes in the form of the relief program itself, over which the Commission often had no control, also contributed to the instability of administration and made for inefficiency.

That the program of unemployment relief did not hold the favor of public opinion at large has been fully indicated. The Commission functioned under the trying handicap of more or less constant public criticism. That circumstance tends to develop in

a public body a hesitant and defensive psychology, with resultant damage to administrative strength and efficiency.

It might be argued that because the IERC was relieved of administrative authority over state relief funds less than five years after it began that relief administration under the IERC was a failure. Such an argument is unsound. The Commission did fail to win sufficient public and legislative support to keep its program going. But that program was from the first intended to be temporary and the state relief administration as it grew up under the IERC was by no means clearly foreseen by the General Assembly or by anyone else at the time the IERC was created. In spite of the fact that the IERC was set up at first with extremely broad authority there is no indication that the legislature realized that it was making possible a comprehensive state relief program such as developed under the hastily enacted legislation.

Furthermore, in view of the general lack of public sympathy toward public unemployment relief it cannot be maintained that popular criticism of the IERC program was proof of incompetence and inefficiency.

In this connection there arises the general question about the practical wisdom of a state administered public assistance program. Due to the fact that a general relief program must in any case be administered through local offices and is of great concern to the local community, and further in view of the traditional local responsibility for poor relief, direct administration of a general relief program by the state is not likely to be successful under American conditions. At any rate the more common set-up for administration of state-aided public assistance in this country involves a large measure of local authority such as the emergency relief legislation in Illinois did not, and perhaps could not, provide for.

The actual administration of relief under the IERC can be appraised only after careful study of the various programs and methods for giving relief which were employed. The present study is limited to general administrative and financial aspects of the IERC and therefore cannot judge the actual administration of relief under the Commission.

The significance of the FERA.---The emergency relief program under the IERC was greatly influenced by the rules and poli-

cies of the FERA. It was largely as a result of FERA insistence upon adequate and competent relief methods and policies that the strong state-administered program was developed in Illinois.

After the federal grants for direct relief were withdrawn the General Assembly promptly put administration of state relief funds in the hands of the poor law officials and brought relief administration by the IERC to a close.

There can be little doubt that the withdrawal of federal aid precipitated the return to poor law administration of relief in Illinois. Had the federal government continued to co-operate with the state in the financing and administration of direct and work relief, instead of transferring its energy and resources to the expensive, federally administered WPA work relief program, public relief in Illinois probably could have continued on a modern public assistance basis.

Students of public welfare administration cannot help but show keen disappointment in that disastrous change of program by the federal government. The vast sums which have since been spent on an inadequate federal work program could, if used as federal grants-in-aid to the states for relief, have gone a long way toward providing an adequate relief program competently administered.







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